

# ANOTHER ADVANCE IN CRUDE EXPECTED

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# The Oil World.

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## Eastern Kentucky Brings in More Production Story of Osage-Hominy; How \$5,000 Made \$6,000,000

### Doc Kennedy and Gus Springer Cash in on Oklahoma Lease \$5,000 Made \$6,000,000

We knew a dear old lady who amassed a tidy sum by following names instead of past performances. Hers was a system of investing made easy. Its chief merit was simplicity. Her investment list bristled with names like "Golden Rose," "Purple Lily," or "Pink Cameo Mining," to which she had taken a fancy—each a winner. She's dead now, but one wonders whether Osage-Hominy, oil stock and romance-maker, with its weird suggestion of the latest in break-fast-foods, would have figured among her winners.

Space forbids more than a passing reference to the romantic role this big little oil enterprise has played in the lives of men—white men and red men—since the first of its drillers' needles punctured the earth's crust in quest of "liquid gold."

#### Money to Burn.

Osage-Hominy has put a master-kink in the per capita wealth statistics of the learned gentlemen paid by Uncle Sam to compile such data. December 18, 1916, should be a red-letter day in the annals of the two thousand odd members of the Osage Indian tribe, for on this date Osage-Hominy started its corporate life with ownership of a half share of certain oil leases in the Indian Reservation which made the tribe famous. This half share cost \$6,000,000; the other half is said to have cost more than that.

Osage-Hominy set a rapid pace in price, and speed of development that others found hard to equal. In May and November of this year other leases in the Reservation changed hands, by auction and private treaty, for account of the tribal treasury. The average price was \$1 an acre. Choice tracts of 160 acres realized \$200,000 a tract. Leases being subject to cash bonuses, annual rental and other privileges reserved to the tribe have given the Osages something to worry about when it comes to figuring up the income tax under present complicated regulations. Need we add that for them the tepee has given way to the stately villa, the tomahawk to the swagger-stick, and that the picturesque beads, blankets and feathers dear to the heart of the motion-picture devotee will soon be a curiosity, even to the Indians of Osage County?

#### Number Seven of Section Eight.

Osage-Hominy's historic \$6,000,000 lease, known as "Section Eight," was originally sold by auction at the Pawhuska headquarters for Indian Affairs, Oklahoma, in 1913, to Dr. S. K. Kennedy, on his bid of \$1.10 an acre, or \$5,258 cash bonus. The lease was subject to the usual conditions regulating all sales of Osage lands, namely, a rental of 15 cents an acre the first year, 30 cents the second year, 50 cents the third, and \$1 thereafter till oil was produced. When production was developed, a one-sixth royalty was to be paid to the tribe.

Dr. Kennedy was in reality acting for himself and his partner, W. A. ("Gus") Springer. The latter, then an employee of the Hill Oil & Gas Company, for whom he had selected valuable leases in the famous Cushing pool—since sold to Cosden & Co.—did not wish to bid personally at the sale and perhaps create the impression that the Hill company was reaching out for territory. By doing so he would be putting up the price against himself.

"Doc" Kennedy had little faith in the choice of "Gus" Springer. He fully believed that his partner had "handed him a lemon" this time. There followed a nerve-trying period of discouragement and vanishing funds, till Springer met the firm of White & Sinclair, and through sheer enthusiasm persuaded them to drill the lease for a half interest in production. Harry Sinclair, of that firm, president of the Sinclair oil companies, has already been introduced to our readers on these pages.

Between August, 1914, and the middle of 1915, production was insignificant, and with the growth of the Cushing pool then gushing oceans of oil which could hardly be given away around 40 cents a barrel, the last hopes of these pioneer operators were dashed to the ground. The drill was withdrawn from "Well No. 7," and all operations ceased. A little later, White and Sinclair were lucky enough to trade in their share of "Springer's lemon" to the Tidal Oil Co. for about \$20,000. They had spent more in drilling, but there was great rejoicing in the White and Sinclair camp.

But the Tidal Oil Co., now a partner of Kennedy & Springer, was not so easily discouraged, especially when the Cushing pool commenced to show signs of petering out. Drilling on No. 7 was resumed, the prolific Bartlesville sand was reached, and in a few days, with oil spouting over the derrick, the fortunes of Kennedy & Springer and also of the Osage Nation were practically assured. Other wells came in on the lease in rapid succession; pipe-lines were laid by the Prairie Pipe Line Company and others, and in December, 1916, Kennedy & Springer divided a bankroll of \$6,000,000. They also sold out their half share in the lease of Section 8 to the Oklahoma Producing & Refining Company.

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Mr. James Hillis, on his favorite horse, Dick. They are both great hunters from pedigreed stock, and can smell out places where the oil pools are.

### The Drillers Are Again Busy White Gets Good Well Others Hit Lucky

Notwithstanding the recent freezing weather that has caused considerable damage in the Kentucky oil fields, and hampered operations to a considerable extent, some of the operators went ahead with work and have completed important wells in extended areas.

P. J. White and others at a test in Lee County, on the Bernice and Noland parcel of land, are 32 feet in the sand which pay continues from 12 feet on. This is doubtless a good well as it stands. However the operators expect to continue drilling deeper, inasmuch as the oil formation in this district is in the neighborhood of 100 feet in thickness.

The new well is one-half mile northwest of the Hopewell production of the Shearer tract, to the North of Beattyville and three-fourths of a mile West of the Provident Oil Company's recently completed well on the D. B. Pendegast tract.

The New York-Kentucky Oil and Gas Company have completed a 200-barrel well, according to a report on the Morse heirs' land, which lies south of the Petroleum Exploration Company's production on the Miller-Prewitt heirs' tract. This is the first well for this company in Kentucky. It is headed by J. C. Riley, of New York, who is its president.

T. C. Fuller and Dave Baker report a 50-barrel well on the Jacob Townsend farm, which lies north of the famous Ashley farm. This is their third producer on this property.

The Petroleum Exploration Company's Numbers 13, 14 and 15 are 200, and 150-barrellers respectively.

In the Ross Creek district of Lee county, at the edge of Estill county, J. W. McKee has completed an 8-barrel pumper on the Calahan lease. It will be shot.

### Big Company Is Formed

Parties from Logansport, Ind., and Irvine, Ky., have formed the Mammoth Oil Corporation, with a capital of \$500,000.00. The officers are M. J. Bligh, of Logansport, President; Hon. Kelly Kash, Commonwealth's Attorney at Irvine, is Vice-President and General Counsel; Charles McDowell, of Logansport, is Treasurer, and Mrs. Lena Wallace, of Irvine, is the Secretary. This company has considerable holdings in fine areas of the Kentucky oil producing district and owns considerable royalty interest. They announce that operations will begin the first of the year on some of their undeveloped leases.

The personnel of the officers and the properties they own combine to assure a going company from the outset, and they are welcomed to enlist with the hundreds of other money-making oil operators in the Blue Grass State.

### Federal Trade Report Says Standard Oil Companies Warrant Action

(By Special Correspondent)

WASHINGTON, D. C.—That for all practical purposes the various Standard Oil companies still exercise a monopolistic power in the petroleum industry of this country through the ownership of the majority of shares of each of them by a comparatively small group of capitalists is pointed out in the annual report of the Federal Trade Commission of the country recently submitted to the public.

The Commission recognizes that the control of the market by the Standard interests is a serious enough matter to warrant action to bring about in reality the dissolution of the Standard ordered by the United States Supreme Court in the "dissolution" case brought against the Standard of New Jersey in 1911. It suggests five courses of possible action to bring this about.

The Commission's report has excited considerable interest in financial circles as it takes direct issue with a statement of A. C. Bedford, now chairman of the board of directors of the Standard of New Jersey, last spring, when he held the presidency of the company, in which he stated that artificial conditions exerted no control of prices. His statement was made when a preliminary report was made by the Commission. It included the following:

"The fact is the Standard of New Jersey has scrupulously obeyed the decree in the dissolution decree as affirmed by the Supreme Court. Our observance of the decree has been made under the constant supervision of the Department of Justice, and it has made no complaint against us. The Federal Trade Commission, in its report of an exhaustive inquiry into our business, does not intimate that any practice or policy of this company is at variance either with the law or that decree."

As to the Standard's domination of the market the Commission's annual report states as follows:

#### Standard Still Dominant.

"The various Standard Companies, moreover, occupy a dominant position in most parts of the United States and the absence of substantial competition among these companies was an appreciable factor in causing the advance. (The advance in gasoline prices the last half of 1916 led to the Commission's investigation.—Ed.) The various Standard companies are subject to a community of interest based on the fact that a majority of their stockholders are the same individuals, and this community of interest embraces not only refiners, but also oil producers and pipe lines. Under such circumstances competition can hardly be expected to work effectively and fairly, or to adjust prices to cost with any reasonable precision. Several important officers of Standard companies have large holding of stock in other Standard companies. The Standard marketing companies have divided the country into eleven distinct marketing territories following state lines and there is no substantial competition in the sale of gasoline among them.

"As remedies for the conditions which produced the artificial and unnecessary part in the advance of gasoline prices the Commission made the following suggestions as alternative courses of action:

"1. To prevent the control of the market from being exercised through common ownership, five courses of possible action are suggested—

"(a) Possible action by the Department of Justice in view of the facts disclosed by the Commission's investigation.

"(b) An act of Congress providing, when conditions require, for the reopening of anti-trust cases, on the application of the attorney general, by a bill of review.

"(c) Abolition, by legislation, in certain cases, of common stock ownership in corporations which have been members of a combination dissolved under the Sherman law.

"(d) Effective limitation upon common ownership of stock in potentially competitive corporations by withdrawing the power of voting and control.

"(e) Legislation which, while recognizing common ownership, would fix upon such common owners the responsibility for the acts of each of the several companies so owned, which are preventing competition.

#### Would Separate Pipe Lines.

"2. In the opinion of this Commission it would in the long run be the simplest and most effective policy to segregate the ownership of the pipe lines from the other branches of the petroleum industry. This would mean that no controlling portion of the stock of any pipe line company engaged in interstate commerce should be owned by individuals, companies, or corporations that are also interested as owners in any oil-producing or refining properties, and vice-versa.

"3. In view of the bearing of accurate statistics upon industry and competitive conditions, it is suggested that the appropriate

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## GEOLOGY

## GEOLOGY OF THE SOUTHERN APPALACHIAN REGION

Address by Joseph Leiner, Petroleum Geologist, of Winchester, Ky., to the Kentucky Oil Men's Association at Lexington.

I deem it not only a privilege, but also a pleasure, to talk to you this evening.

It is needless for me to state that words cannot express my appreciation for the laudatory remarks made by the toastmaster in behalf of the geological fraternity.

Some of the remarks of the toastmaster were striking in this wise: That the comparative efficiencies of coal and oil; the difference in volume occupied by coal and oil on ships; the difference in number of men employed on coal and oil burning ships—all these factors are bound to enhance the future possibilities in oil field developments unless the oil shale industry reaches that status of economic perfection so as to be able to compete with our present methods of extracting petroleum.



JOSEPH LEINER, Geologist.

It behooves me under certain extenuating circumstances to make a few general remarks before discussing the subject under consideration. I wish to emphasize at this point, however, that criticism has been heaped upon geologists on the part of some oil operators and it is unequalled for—unwarranted.

Sufficient time is not given to geologists to make a thorough examination of a region. You will find that a small additional geological expense may ultimately save thousands of dollars for you.

It is rather fortunate that the few doubting Thomases regarding this subject happen to be in the minority. Hence, it appears ridiculous or rather ludicrous that a member of the geological fraternity in this age of scientific enlightenment should take up the cudgels of defense in presenting arguments favorable for the application of this subject to oil finding.

However, be that as it may, I can admire that group of oil operators who not being acquainted with this subject assume an impartial attitude towards it, awaiting to see results which are being forecasted, so to speak, by consulting geologists. Its successful application in the Oklahoma, Wyoming, Pennsylvania and West Virginia fields suffice to show the importance of this branch of science.

Geology is not a flight of fancy. Don't think that one cannot delve into geological problems and still keep his feet upon terra firma.

Engineering sciences with all their mathematical exactness and their wonderful application to engineering projects, lack the natural beauty of geology as revealed in Nature's architectural carvings or in the life history of fossil groups and their interpretation. It arouses your senses. We become inquisitive regarding the whys and wherefores of all these things. How did these things come about and during what time did it take place.

It bears a relationship to our agriculture, forest fires, climatic conditions, positions of cities with respect to our waterways, and it holds the key by aid of which we can unlock the resources of this small planet of ours and wrest nature's secrets from her tight grasp. A physiographic barrier between Germany and France was one of the illegitimate causes of Germany's entrance into Belgium. Hence you can see it influences even the tide of human affairs.

In turning our attention to this Southern Appalachian basin of ours let us examine a few fundamental features which control the destiny of oil field operations here.

The Appalachian province can be divided into two parts by a line which follows along the Alleghany front and the eastern escarpment of the Cumberland plateau. To the east of this line in the Appalachian uplift and mountain system in some places the rocks are so metamorphosed that their original form and composition cannot be determined. The western division of this province lies wholly within the drainage basin of the Ohio River. It embraces the Alleghany Mountains, Cumberland plateau, the lowlands of western Tennessee, Kentucky and Ohio. It extends from the west end of Lake Erie across the States of Illinois, Indiana and Ohio. Contrasted with the intensely folded strata of the Appalachians, the rocks of this region may be classed as horizontal, comparatively speaking. But strictly speaking this is not true as the beds are gently inclined in various directions in different parts of the field, due to gentle uplifts. Though small by comparison they are, however, pronounced geologic features of the region.

The most pronounced geologic feature of this basin is the Cincinnati arch. This great barrier of Ordovician times, gradually uplifted no doubt during early Silurian times, passes through Cincinnati, Lexington, Winchester, taking a southwesterward course. It passes through Russell and Clinton counties to the west of Wayne county and takes the general direction of N. 20 degrees in southern Kentucky. This arch separates this basin into two structural basins known respectively as the Appalachian coal basin on the east and the western Kentucky coal basin on the west, sometimes called the central coal field of the United States. The greatest altitude of the rocks in this basin is to the southeast, where some of the ridges attain the dignity of mountains. To the north they constitute the Allegheny mountains, in the center they form a group of mountains such as Pine Mountain, to the northwest, and Stone Mountain to the southeast, and further south the so-called mountains attain the dignity merely of the Cumberland plateau escarpment. In Tennessee the most pronounced escarpment is the line between the Cumberland plateau and the eastern highlands, and the Cumberland plateau is very perfectly preserved, while in Kentucky the rocks were not hard enough to protect the plain after it was uplifted and as a consequence it was completely dissected by numerous streams.

We have a more or less complete record of sedimentation in this region from the lower part of the Silurian period to the close of the Carboniferous

times. They also contain a record of conditions of the land areas which furnished material for their formation.

The sea in which Paleozoic sediments were laid down covered most of the Appalachian province and the Mississippi basin. In the early stages of this area the eastern shore line of this ocean must have been along the Blue Ridge and Smoky Mountains, but it migrated westward at intervals as the movements occurred which folded the rocks of the Appalachian valley. There is quite a diversity of opinion regarding the westward migration of this short line. Some believe that the coal measures were deposited entirely across the Appalachian valley and that they were uplifted as a whole at the close of the Carboniferous times. The original western extent of these rocks is also an unsettled problem. Some believe that they were connected with the rocks of the same age in western Kentucky, while others believe that the Cincinnati arch stood up as an outlier or island in the Carboniferous sea over which the coal measures were never laid down.

The Blue Grass region of Kentucky consists mainly of limestone which indicate that during the latter part of Ordovician times and the former part of Silurian times, oceanic conditions must have prevailed in central Kentucky. This condition characterized the Trenton and Hudson epochs. But the sea grew shallower, as is evidenced by the clayey mud which settled to the bottom of the sea and which represents the waste of some land area. At the close of the Upper Ordovician or lower Silurian, land areas evidently occurred in different parts of this region. In this way we can account for the absence or presence of higher stratigraphic beds laying uncomfortably upon an old land area which has been subjected to erosion.

The Silurian rocks of southern Kentucky and northern Tennessee are thickest in what are thought to have been great basin areas, which lay both east and west of the Cincinnati arch at the time of the deposition of the beds. Although it is possible that the Silurian rocks once covered this Cincinnati arch, but were removed by erosion before the Chattanooga shales were deposited, it is obvious, however, that they are absent along the higher portions of this arch for a width of 40 or 50 miles. Two exposures found on Cumberland river in the northern part of Wayne practically mark the western border of Silurian rocks on the east side of the Cincinnati arch. To the east of this dividing line the Silurian may be present, but cannot be recognized from the Ordovician in the well records.

Sections made by several geologists in Wayne county show the Chattanooga shale resting upon the Ordovician. In Pickett county, Tenn., in the Spurrier and Riverton oil districts, the oil and gas appear to come from the Ordovician rocks, which are overlain uncomfortably by the black Chattanooga shales, the Silurian limestones and shales being absent.

The conditions which prevailed during the deposition of the Devonian black shales have not been determined satisfactorily. In Pennsylvania and New York this epoch is characterized by immense deposits such as the Ohio shales group which merely has one representative in the southern and western part of the Appalachian valley—the Chattanooga shales on the average of 100 feet at Chattanooga, and about 150 feet thick, and in Tennessee it thins down to about 5-100 feet. The best explanation for this irregularity, in my mind, is as follows: That the Devonian sea, in the southern part of the Appalachian valley, though extensive in area must have been shallow and surrounded by lowlands. The region of transition from the northern phase to the southern phase is in northeastern Kentucky. Although classed here as Devonian, some believe such as Ulrich, that the Ohio (Chattanooga) shale, or part of it, represents the base of the Carboniferous.

Beneath the black shale in the Irvine field is a bed of clay shale quite persistent and it probably performs the function of sealing in the oil in the Corniferous beneath. It is equivalent to the black shale in Central Ohio known as the Olentangy shale. Below the Chattanooga, in Wayne county, about 250 to 600 feet are zones of creviced limestone which have produced oil. Two of the more well-defined oil zones have been called the lower and upper Sunnybrook sands. Nothing of importance has been found in the black shales to speak of, except some gas in Meade county which was piped to Louisville.

The lowest and oldest Devonian formation of Kentucky is the oil sand itself—the Corniferous limestone. It is the oil and gas bearing sand in the Ragland, Irvine, Campton oil fields and in the Menifee gas field. It thickens toward the east and north and thins toward the west. At Irvine it is about 20 feet thick and at Campton about 200 feet thick.

The pay streak in this formation varies greatly in position and in thickness. The fact that this limestone (gas sand) is absent at quite a few places along the northern and western sides of the Menifee gas fields suggests strongly that it may be locally absent over most of the area a short distance farther in that direction. It is missing in Tennessee.

The Waverly sea following that of the Devonian extended probably over much of the same district. The deepening of the sea was the cause no doubt of the depositions of the Mississippian limestone group upon the Waverly shales.

The great thickness of the Waverly is due to the fact that conditions of the land were such that a liberal supply of waste was furnished.

In the uplift which followed the material was eroded, cutting through the Mississippi limestones and the underlying Waverly formations.

The Waverly group is of economic importance because it contains the principal oil and gas bearing beds of Wayne County, such as the Beaver Creek and the Stray sands. Variations in thickness in Wayne county may be due in part to unconformities. Both the Stray and Beaver Creek sands are good bearing limestones. The Beaver Creek occurs at the bottom of the Waverly, just above the black shales, while the Stray occurs toward the top of the Waverly. The varying interval and local absence of the Beaver Creek in Wayne county may be attributed to deposition on an irregular and slow subsiding surface, having low land barriers and islands.

This shale is equivalent to the Waverly shale of Ohio and probably to the Peco, of Pennsylvania and West Virginia, wherein they find the Big Injun, Berea and a few others. The deposition of limestones throughout central Kentucky and Tennessee is quite irregular. Either these limestones (Miss.), which are thin, comparatively speaking, in central Kentucky, took just as much time as its deposition in Tennessee, or else it is possible that unconformities in central Kentucky which represent periods of no deposition and possible erosion, are responsible for the thinning of these limestones in central Kentucky and hence is the equivalent of only a small fraction of that in Tennessee. In the Irvine field it is called the Maxville limestone or the Big Lime of West Virginia, and is equivalent to the Newman limestone of the Richmond district, of Kentucky; and is the sole representative in the Irvine field of the St. Louis, St. Genevieve limestones, and overlying beds of the Chester group as found in the oil fields of Illinois and in western Kentucky. The bottom member of the Maxville is equivalent to the St. Louis and the upper member which was originally about 75 feet thick, but which was extensively eroded before the overlying beds were laid down, is equivalent to the St. Genevieve. In other words, the reason for the marked variation in thickness of the upper member of the Maxville limestone is due to an erosional unconformity. The uppermost portion of these Mississippian deposits contains lenses of sandstones and shales and which is equivalent to the Chester group of Illinois. It is often referred to as the Pennington shale.

The erosional unconformity between the Mississippian and Pennsylvanian is responsible for the great variation in thickness of the Pennington shale as, i. e., in Wayne county.

The geologic structure of the region in the vicinity of Pine Mountain on the north side is that of a broad, comparatively shallow trough in which occur minor anticlines and synclines. The axis of this great synclinal trough passes through Knott, Whitney, McCreary and Wayne counties with a trend generally northeast-southwest.

The ridges around Irvine belong to the Pottsville measures—the base of the Pennsylvanian. They are quite uniform in height and it is evident that the region was once a plain, uplifted and stream erosion cut down and deepened the valleys leaving the mountains standing up in relief.

The common general dip around Irvine and to the east in southeast. It carries the oil sand from an altitude of 630 feet above sea level at the Irvine station to about 150 feet below sea level in the Campton oil field—a slope of about 32½ feet per mile, but not down the dip. The sand in the Menifee field has an elevation of about 400 feet above sea level, and Campton, 15 miles to the southeast, is down the general dip. Hence the dip between the Menifee field and Campton is 37 feet to the mile.

A fault zone skirts the Irvine anticline on its crest on the northwest. It consists of a block fault and a few normal faults. The zone is from one-half mile to two miles wide and about 20 miles long. It runs northeast from Irvine, curves gradually to an easterly course from Estill Furnace to High Rock. Pro-

## LEASED AT LAST

There 'ain't no use of yer jawin,  
Nor a hangin' around my gate.  
I don't hev no use for ile leasers,  
No more 'es mother, nor Kate.  
An' Jim, over there in the bottom,  
His temper's mighty hot,  
Ef he sees yer hangin' aroun' this place,  
He'll cuss, as like as not.

No, I don't want ter lease no block er land,  
An' I ain't no call ter sell.  
As long as I am making a livin',  
I'm doin' mighty well.  
Why, yes, that's all right, Mister,  
I'm a "Hillbilly," as you say,  
But whether I'm a "Hillbilly" or not,  
I reckon I'll hev my way.

Why won't I lease my farm to you?  
Wall, if yer really want to know,  
I b'lieve the Lord's agin the drilling for ile,  
Where the corn hed ought to grow.  
If the Lord had intended for human men  
Ter use this gas and ile,  
He'd never have hid it two thousand feet,  
Down there beneath the sile.

So there ain't no use uv yer talkin',  
It's agin my religious views,  
An' when I get sot on a subject,  
Coaxin' ain't no use.  
You ile men come from Pennsylvania,  
An' from West Virginia, too,  
A skimpin' us natives out'n our land,  
That's what yer tryin' ter do.

You can talk all about "Berea grit,"  
An' yer old "Big Injun" sand,  
But there ain't goin' to be no derrick  
Built on this hyer land.  
There won't be no greasy driller  
Settle on this yer place  
A sparkin' of my young darter,  
Right here before my face.

Now, Mother, you jist shet yer mouth,  
You ain't got nothin' ter say,  
I ain't goin' ter lease a foot uv land,  
So he'd better go away.  
I know what yer think, if I lease this farm,  
An' these folks here strike ile,  
You'll want to be moving to Winchester,  
An' put on city style.

Yes, I've heard about yer "Casey" wells,  
And yer mighty "Illinois" field.  
Why, them fellers ain't got nuthin' but ile.  
They can't raise corn, fer meal.  
The farmers won't do a lick uv work  
They je's sit 'round and spile,  
An' live on nuthin' in the world  
But the ry'ty on the ile.

An' if I should conclude ter lease,  
My family'd be no good.  
Kate wouldn't do a bit uv work,  
Nor Jim wouldn't split no wood,  
Mother would buy a screen silk dress,  
A yaller hat an' a muff,  
An' I'll bet she'd spend more'n five dollars  
A layin' in powder and stuff.

What! You say yer'll give a thousand down?  
An' a ry'ty ter boot?  
An' I can go ter Lexington,  
An' buy a bran new suit?  
I can buy them hosses from Abner Brown,  
An' a "Studebaker" waggin, too?  
It does seem mighty temptin',  
I dun'no what ter do.

I spose the weemen's bound ter lease,  
An' will pester me ter death,  
If I don't do as they want me to.  
Gee! It almost takes my breath,  
It seems, though, kinder dreadful  
Ter spile this land with grease,  
But I spose I'll hev ter do it,  
Come in an' I'll sign the lease.

—C. R. D.

Lexington, Ky., Dec. 13, 1917.

fessor Miller calls it the Sweet Lick fault on its south side at Irvine, Estill Springs fault on the north side, Estill Furnace fault north of Estill Furnace, and the Glen Cairn fault at Glen Cairn.

On the north side we have the Stanton syncline.

Another important feature is the westward thinning of the formations or the convergence of the beds. For example, the distance between the top of the St. Louis limestone and the corniferous is 750 feet in the Campton field while at Irvine it is only 530 feet.

In western Tennessee it may be possible that the cretaceous rocks are productive of oil and gas, provided they come in contact with non-oil bearing rocks of the Paleozoic sea floor. If this is true, then the open, porous sands, or the Ripley and Eutaw formations, should furnish excellent reservoirs and with favorable structural conditions over this region, large pools may have accumulated. The general structure of the region and nature of the rocks and position of the formations between cretaceous and older rocks, tend to favor that portion of the province where the Paleozoic floor can be touched at depths of 1500 feet or more from the surface. However, I consider the best area for testing to be the northern half of the Cumberland plateau. The reason for this is that there are better chances of finding good reservoir rocks, especially those above the Chattanooga shale and also because this broad synclinal trough is traversed by several broad, low anticlines of sufficient prominence to furnish good structural conditions.

There is not any question in my mind, if oil is present here, as is evidenced by our present fields, that new pools will be opened up under a proper scientific guidance of geologists.

Lease-hunting continues to be one of the popular forms of sport in Kansas, Texas and several other States, Kentucky included. The searches and researches of the scouts extend to all sorts of districts that may, at some time, have excited oil-suspicions. If all the leases are tested, there will surely be some drilling in the days to come.



## FOR INVESTORS

Apprehension still exists in Wall Street, but exactly what Wall Street apprehends, it is difficult to find out. The war, of course, with its appalling cost and continued uncertainty, tends to sobermindedness and this leads to liquidation and the accumulation of funds ready for the gravest emergency.

Some are expressing fears of the worst kind, even to the extent of a bombardment of New York or Boston or some other exposed American port by a German submarine. Even such a contingency ought not to precipitate a panic, because a raid of this kind would be short-lived. It would be ill-advised, because it would bring down on the German nation the intensified wrath of a people altogether too slow to anger.

The real cause of the prevailing hesitation to patronize the bargain counter in Wall Street is found in the general feeling that we are spending our billions, perhaps with not too prodigal a hand, but with too little co-ordination of the disbursing authorities.

Thoughtful people are asking why we should be spending in the first year of the war almost as much as Great Britain found necessary to expend during three years of struggle.

The upset in the shipping department, the failure of the price-fixing policy as applied to coal, and the discrimination in fixing prices on copper, iron, steel, and wheat and not on cotton—the commonest of all necessities—has provoked much discussion and discontent.

Under such conditions, even the tempting bargains now offered in securities formerly regarded as of the first class do not attract the number of buyers that might be expected.

P., Altoona, Penn.: At the price you mention U. S. Rubber 5's are well regarded as an investment.

A., Jackson, Miss.: L. & N., N. & W., Gt. N., and St. Paul conv. 4½'s, are better held than sold at this time.

J., Denver, Col.: Wright-Martin common is a fair long-pull speculation. Willys-Overland common looks like a fair speculation.

W., Providence, R. I.: It seems advisable to even up on Gt. Northern pfd. Unless St. Paul pfd. retains its full dividend it will go lower. I would rather buy than sell it. Bethlehem Steel 8 per cent. pfd. is reasonably safe.

R., Carrollton, Mo.: Wabash pfd. A's dividend will probably be secure if the I. C. C. grants increased freight rates.

G., Mound Bayou, Miss.: As U. S. Steamship Company's stock is selling at about \$4 per share on the N. Y. curb, I do not advise its purchase at \$10. The stock, though paying 9 per cent., is still speculative.

T., Minneapolis, Minn.: St. Paul common's serious decline was due to falling off of income, putting the dividend in danger. An increase of freight rates will help the road out. Just now the common is speculative.

T., Utica, N. Y.: American Smelting looks like one of the most attractive stocks on the market. Columbia Gas's earnings indicate prosperity and the stock is one a 4 per cent. basis. You might prudently average on both Montana Power is good.

A., Brooklyn, N. Y.: American Car & Foundry preferred is reasonably safe. E., Harrisburg, Penn.: The Penn. R. R. 4½ per cent. bonds are good to hold as an investment.

S., Erie, Penn.: U. S. Steel pfd. and Bethlehem Steel 8 per cent. pfd. are regarded as among the safest of the industrial stocks.

D., Melstone, Mont.: Anaconda is one of the best of the copper stocks and perhaps the best on your list. St. Paul's future depends on the character of its earnings from this time on. It is in good hands. Montana Power has merit.

H., Lancaster, Penn.: Midvale has had a severe drop, in common with all other stocks. The outlook is too uncertain for a prediction as to the tone of the market during the coming winter, but after such prolonged liquidation, chances favor an advance.

M., Pittsburgh, Penn.: I do not consider Crown Oil "a reliable and safe investment." The stock is paying 2 per cent. monthly, but is not as yet seasoned. Brokers are asking \$1.50 a share, but the stock is quoted by a New York firm at 75c bid, 87½c asked.

D., Baltimore, Md.: It seems advisable to hold Penn. and to even up if possible. It would be better to hold than to sacrifice O. & W. We have consistently opposed government ownership of railroads because this has not worked satisfactorily in other countries.

C., New York: There should be a good future of Gt. Northern, No. Pac., So. Pac., C. & O., and Western Union. All had better be held than sold at a loss. We are a long distance from government ownership. With return of peace, all the above stocks should benefit.

F., Syracuse, N. Y.: The financial difficulties of Smith Motor Truck Corporation are not attributed to lack of business. Bankers have supplied the company with needed working capital. Earnings for the third quarter of the year on common are estimated to be more than the present market price.

C., Trenton, N. J.: The directors of American Can have declared an extra dividend 3.71 per cent. to pay all the arrears on pfd. This clears the way for a dividend on common which has now become an attractive speculation, but insiders are heavy holders and will take their profit at the first big chance.

H., Brooklyn, N. Y.: Preferred stocks and bonds of seasoned industrial and railroad corporations are good investments at current prices. First mortgage real estate and farm mortgage bonds also are desirable. You would make good use of your \$10,000 by diversified purchase of such securities.

D., Salem, Mass.: The suspension of Butte & Superior dividends was due to the fact that the company has been sued for infringement of patent in using an ore-recovery process and must deposit its net earnings in court pending settlement of the suit. The earnings for the third quarter of the year showed a great decrease. The stock is now more speculative than ever.

M., Bronxville, N. Y.: Preferred stocks which yield over 7 per cent. on market price include Bethlehem Steel 8 per cent. pfd.; Corn Pds. Co.; American Woolen; American Locomotive; American Smelting A.; American Beet Sugar; Republic Iron & Steel, and U. S. Rubber first pfd. American Tobacco at 170 and General Motors are fair speculations, Gen. Motors pfd. being better than the common. Ohio Oil is an attractive security.

M., Bernice, La.: I do not need to question the value of the property held by the Texas Steel Company. Its prospectus shows that the company has not as yet got into operation, and that its future is mainly a matter of faith and expectation. The stock, therefore, is a speculation. Why pay \$100 for the stock of a merely promising company, when for less money you can buy the stock of well established dividend-paying companies.

M. C., Toledo, Ohio: The first lien marine equipment 6 per cent. conv. gold bonds of the Pan American Pet. & Transport Company aggregate \$7,000,000. They are due serially Jan. 1, 1918, to July 1, 1927, in denomination of \$1,000. The company controls the Mexican Pet. and other companies. The bonds are secured by first mortgage on a fleet valued at \$21,000,000. Net earnings for 1916 were nearly 10 times annual interest on these bonds. The bonds were recently quoted to yield 6 per cent.

CITIES SERVICE—Announces that new 12-inch water main, installed by it from Arkansas River to El Dorado field in Kansas, had been placed in operation.

COSDEN & CO.—Combined earnings of Cosden & Co. and Cosden Oil & Gas Co. for nine months ended Sept. 30, follow: Net after all expenses, including part depreciation and taxes, \$7,953,155; interest on bonds, \$516,504; surplus for nine months, \$7,436,651.

ILLINOIS PIPE LINE—Semi-annual dividend of \$10 a share, payable Dec. 17, is a \$2 reduction from last declared of \$12. Earnings in 1916 were \$25.50 a share, against \$21.60 in the preceding year. The company is credited with making liberal depreciation allowances in 1916, because, notwithstanding large investments in new lines and equipment its plant account, as shown in the 1916 annual report, showed a reduction of about \$300,000. These new lines, to a large extent, are located in Wyoming, where the development of new large fields has required the building of pipe lines, storage and pumping facilities, to take care of increased output.

INDIAN REFINING—Dividend of 3 per cent, payable Dec. 20, is the first dividend on common stock since October, 1911. Prior to that time they were at the rate of 12 per cent. It is reported that as long as earnings continue at existing rate, a dividend of 3 per cent would be declared every three months, thus placing the common stock on a 12 per cent. yearly basis.



Baby Well, 70 feet, 4 inches deep, flowed 700 barrels. Station Camp District.

MERRITT—Two new wells have been added to the producers from the Wall Creek sand in Big Muddy. A second deep well was completed October 30 by Midwest Refining, drilling on Merritt ground. A well was brought in by Ohio Oil Co., October 17. This is the third deep well on ground owned jointly by the Ohio and Merritt companies. This brings total Wall Creek sand wells on Merritt ground in Big Muddy up to nine.

MIDWEST REFINING—A new process, said to yield 75 per cent of gasoline, has been tested and worked out at company's plant at Casper, Wyo. A modification of the Kittman process; it was developed under the supervision of Dr. David T. Day, formerly with the U. S. Geological Survey. Experiments have been conducted for a year, and its efficiency is believed to have been established. Successful development of the process for the extraction of gasoline from oil is expected to result in considerable benefit to the company.

OKLAHOMA P. & R.—Announces that enough stock of Osage-Hominy has been deposited to insure merger of that company into the Oklahoma Company.

OSAGE-HOMINY—Recent reports are that company now has around 60 producing wells with a production approaching 10,000 barrels daily. Earnings for 1917 are predicted to be \$3 a share after taxes.

ROYAL DUTCH—The 74,000 sub-shares were sold in the United States in 1916 have been admitted to the official list of the Amsterdam Stock Exchange, Effective December 15, 1917.

SINCLAIR GULF—Has made its first report since operations were begun. For four months ended August 31 income and deduction of interest and taxes, but before depreciation, is \$1,662,155, or at annual rate of \$660 a share. Balance sheet shows assets, \$6,040,801, and liabilities, \$2,007,048, leaving net assets \$3,414,012. Total assets \$57,408,385 are claimed. Since August 31, note and bonded indebtedness has been reduced \$1,635,600.

S. O. OF KANSAS—Increase of \$1 in the extra dividend reflects the improvement which has taken place in the Kansas field in the latter part of 1917. New production has been brought in, which has been of advantage to the company until recently a refining and marketing concern. This came at a time when refining capacity was increased, and as a result business has been especially satisfactory. Company has shown average yearly net of \$50 a share. Net profits in 1916 were \$63.60 a share, against \$28.10 in 1915. Net assets December 31, 1916, were \$4,418,683, against \$1,032,280 on December 31, 1911. Surplus was \$2,418,683.

S. O. OF NEW JERSEY—Directors have elected A. C. Bedford, heretofore president, as chairman of the board and chief executive officer. The board also elected as a director and President, W. C. Teagle, formerly vice-president and director, and President of Imperial Oil. The changes were made necessary by pressure on A. C. Bedford of his duties as chairman of the Petroleum Committee of the Council of National Defense.

TIDAL OIL—This producing subsidiary of Tide Water Co. has purchased the property of Maple Oil Company, in the center of the Irvine field, Ky., in which it holds leases on 4,000 acres of land, with 14 producing wells. Although the price is not announced, the price asked for Maple Oil Company recently was \$100,000. The Tidal Company plans to start drilling work immediately.

TIDEWATER OIL—Reports gross \$21,011,672 for nine months September 30, compared with \$17,009,363 for the full year of 1916. Net for period, after charging off \$1,427,319 for depreciation, was \$7,491,372, and balance dividends \$60,357,349, equal to \$21.74 a share. Surplus on September 30 was \$12,503,475, and aggregate assets \$50,707,210, of which \$34,600,000 represent oil-producing properties, refineries and pipe lines.

## KENTUCKY OIL MEN'S ASSOCIATION

There was a large attendance of all of the committees of the Kentucky Oil Men's Association held in the Enterprise Oil & Gas Company's office at Winchester on Saturday afternoon. The meeting was called to order by the President, Mr. Tomb, and his introductory remarks were listened to attentively. The meeting immediately got down to business and the chairman of each committee was called upon for their various reports. Each and every one gave a very interesting account of his committee which displayed that more than the ordinary interest is being taken by all of the committees and that the work now being accomplished in the way of such legislation for the benefit of all those interested in the oil industry in Kentucky is of more than ordinary importance.

The committee on finance showed that since the banquet held on December 8th, that upwards of seventy-five independent oil men and corporations had been added to the membership, and that the organization is in a very healthy financial condition and beyond any question of a doubt, a success.

The committee upon taxation, which is really the most vital question to the oil producer, showed that a taxation of one and one-half per cent. had been levied and which is deemed a very fair levy.

A general discussion of a number of various questions of importance was had and the different committees upon these questions instructed to arrange all such matters and to be prepared to report at the next meeting which will be held in the Phoenix Hotel, at 2:30 o'clock, on the afternoon of December 22nd, 1917, and any one who has anything of interest to bring before the organization will be welcome.



J. T. McCLINTOCK,  
President of Pilot Knob Oil Company. Operating H. C. Barker lease.

## ELLIOTT COUNTY

## ELLIOTT COUNTY IN KENTUCKY

## ATTRACTS OIL MEN'S ATTENTION.

WINCHESTER, Ky.—Elliott county is engaging the earnest attention of numerous oil companies at this time. The first well on the big structure in Eastern Elliott county, is now under way on the Dials farm, near Louisville. Sufficient gas for drilling purposes was found at less than 100 feet and is being used for operations. Deep interest centers in this well, not only because of the location on the structure, but because of the fact that the Big Injun, Berea Grit and Irvine sands, all big producing oil sands, underlie this section at approximate depths of 500, 900 and 1,000 feet, respectively. The Rice Oil Company will begin a second test well on the structure upon completion of the Dials well; this well will be at a point about a mile north of Burke.

The Ohio Cities Gas Company has recently acquired extensive holdings in Elliott county and will begin soon the development of this acreage by the drilling of several wells.

A Wisconsin man named Rankin has arranged for the drilling of a well on his N. B. Gillum lease, a short distance south and east of Burke. The Bonham Oil and Development Company has contracted for a well on the L. C. Prichard farm, near Albert postoffice. Material is being moved to location on the Sineell farm, where Senator Hummell will drill a test well.

The oil fraternity is expecting thorough tests in Elliott county. The Carter Oil Company, A. V. Oil Company, Ken-See Oil Company, Federal Oil Company, Atlas Oil Company, Kentucky Producers Oil Company, The United Fuel and Gas Company, Arkansas Natural Gas Company, Delta Oil Company, Hazel Oil Company, and Kans-Kentucky Oil Company are among the numerous companies having holdings in Elliott county. There is scarcely a farm in the entire county that is not now under lease.

## ADAIR COUNTY BECOMING BUSY.

COLUMBIA, Ky.—E. S. Steover, of Cincinnati, representing a Buffalo (N. Y.) company, has obtained leases on 11,000 acres, lying on Pettie's Fork Creek, near Fairplay and Picnic postoffices, and on Harrods Fork Creek. They are to drill two test wells.

The Knickerbocker-Wyoming Oil Company, of New York, has a large acreage in Adair county, near Sparkesville, Nell and Dirigo postoffices. Geologist J. E. S. Sur went over the territory and recommended the purchase; operations are soon to begin.

The Southern Oil and Refining Company of Denver, Colo., sent a geologist here, and after a report made, leased 1,000 acres in the southeastern part of the county.

Among the companies holding leases in Adair county are: The Great Western Petroleum Corporation, Chicago; J. W. Cashdollar, Lisbon, O.; Empire Oil & Gas Company; Geo. T. Amyx, Chamite, Kan.; L. C. Patterson Oil & Gas Company, Butler, Pa.; Ralph Hochstetler and the Southwestern Petroleum Company, Buffalo, N. Y.; R. G. Gillispie, of Pittsburgh, Pa.; Efficiency Service Company, New York; American-Canadian Oil Company, New York; Sun Company, New Jersey; Sunrise Oil Company, Pittsburgh, Pa., who are drilling near Nell postoffice, this county. Wm. McK. Smith, Washington, Pa., and others.

## OIL MEN'S HOME

NOTHING TOO

GOOD FOR

THE

Oil Men

WE WELCOME

YOU

PHOENIX HOTEL

JOHN SKAIN, Mgr.

LEXINGTON, KY.





# THE OIL WORLD

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## EDITORIAL

### THANKS, FRIENDS.

We are indeed thankful to our friends for their generous co-operation in behalf of THE OIL WORLD. We realized months ago that a real oil newspaper would ultimately be established in Lexington and we are proud that the oil trade interests and the general public meet with us on a friendly and reciprocal basis.

In a sense we are new to you, but you are not new to us. We have studied the situation carefully and we believe that it is merely a matter of time until THE OIL WORLD will be your most useful agent and if we can help you we will be glad.

### DOWN WITH THE SPIES.

This country has long been honeycombed with German spies. Every day or two some person who passed as a business or professional man, and who has been well regarded, is caught "with the goods" and arrested. Every state, every city, and every town harbors these agents or allies of the enemy who are masquerading as peaceable citizens. Our easy-going, think-no-evil way makes smooth sailing for pirate craft, right into the councils of state and city, and even our own homes. No country had ever so well organized and numerous a spy system as Germany has maintained right here in the United States under our very eyes. The constantly recurring incendiary fires, the ingenious lies of endless variety, are both part of the same underground system. The Chicago Herald has printed, run down, and exploded more than one hundred of these adroit falsehoods which would pass muster with most auditors. Here is where we can all be alert to spot and stop this propaganda. The next one you hear, run it down to its source. You will not get far before you reach some one who can't remember who told it. Anybody who is full of information favorable to Germany and unfavorable to our cause, and who can't remember where and from whom he acquired this news, will bear watching. Here is an opportunity for boys and girls, as well as grown-ups, to run down, locate, and explode this work of the propagandists.

### In Memory of

**EMIL C. BERGMAN**

Phoenix Hotel Steward

A FRIEND OF THE OIL MAN.

### WE MUST SAVE COAL.

We need in the next twelve months a hundred million tons more coal than we produced during the last twelve months. Production may be increased by fifty million tons. The other fifty million tons must be saved.

This is a war of industrial production, and that means coal. It is worth fabulous prices in France and Italy now. For winning the war a shovelful of coal counts for as much as a loaf of wheat bread.

We have always burned coal extravagantly. In factories and houses defective appliances and careless stoking waste millions of tons.

A furnace or stove without proper dampers will consume twice the coal in a strong wind, with no more heat. Dampers cost little. Look to them. If your furnace is out of repair it not only wastes the nation's coal, but wastes your money.

In office buildings, apartments and houses our custom is to keep up a roaring fire, and then moderate the temperature by opening the windows. Reasonably careful stoking alone will save millions of tons. Look at the ashes. Through worn grates or defective combustion you may be throwing away a lot of slightly burned fuel.

We have got to save coal and many other things. There simply is not enough to go round for the old free-and-easy peace program and the new war program. The people of the United States, we know, are more than ready to do all the situation demands.

They require only intelligent, authoritative directions as to just what to do.

The Government asked them, with specific directions, to save food; and they are doing it. The Government now asks them to save coal. They will do that. They will meet every requirement the war lays upon them.

### GEO. W. DIMICK DEAD

Geo. W. Dimick, age 70, died Saturday at Huntington, W. Va. This man was a useful life in the oil development business in many fields of the country, having drilled a well twenty-seven years ago at Bosco, in Knott county, Kentucky, and was one of the first operators in the Venango county field of Pennsylvania.

## LEXINGTON AND THE OIL FIELD

"There are rapidly increasing indications that Lexington will become widely known as a leading oil center," says the Lexington Leader.

"Other towns, notably our neighbor Winchester, will share with Lexington the prosperity that will come from this source and it may be that in time the development of the various resources of Eastern Kentucky will build a city not yet named which will rival all others and finally become a great metropolis.

"The oil fields of other States have done some wonderful things for those communities that were fortunately located with reference to the oil development and wise enough to take advantage of their opportunities.

"A week ago The Leader wired two or three leading newspapers in the West and Southwest for an expression of opinion as to what the oil business had done for their localities. The Morning Times, of Tulsa, Oklahoma, says that since oil was first developed in that field the wealth of the district has increased one-half billion of dollars and brought remarkable prosperity to that city. The Wichita (Kan.) Eagle states that "two years of oil" have increased Wichita's bank deposits from fourteen million to more than thirty-five millions of dollars, increased building operations from one to nearly five millions in a year, and multiplied the population from fifty-three thousand to seventy-two thousand.

"These are remarkable statements. Whether what has been done in Tulsa, in Wichita, in Houston, in Shreveport, in West Virginia cities, can be duplicated in Lexington and other cities in this region is merely a matter of conjecture. Undoubtedly it would be wise for Lexington business men to take an aggressive viewpoint and determine to capitalize whatever opportunities do come our way for legitimate growth and development of the city's commercial interests.

"Experienced operators say that the oil industry in Eastern Kentucky is not by any means well under way. Conservative men in the business make no extravagant predictions. They are on the ground, are spending their money with the historic prodigality of the hardy and feverish seekers after gold and oil and other substances hidden in the secret places of the earth and which have tempted mankind since the dawn of intelligence. Some splendid fields have already been developed and are yielding handsome returns. If the territory is as rich as some of the prospectors think it is, there will be a long period of profitable production, with consequent financial benefit to all of the surrounding country.

"How can Lexington take care of her own interests? In many ways. The oil men are not asking for any special favors. Usually they are capable of taking care of themselves at all times and under any circumstances or conditions. They are built that way—were born that way. All they will ask of Lexington is fair treatment and some indication that we want their business and are willing to render reasonable service at a reasonable price.

"In popular language, it is up to the business men and the financial institutions of this city to 'sell' Lexington to the oil industry. If they do not get what they want here, better salesmen elsewhere will get the goods. That is the whole story."

### GAS SITUATION SERIOUS.

The people of Lexington are seriously concerned with the gas situation. The extreme cold weather has caused the supply to be inadequate in practically every locality in the country where natural gas is used for heat and lighting purposes.

The Lexington Leader very wisely suggests the establishment of an artificial gas plant and their idea is good.

Here is what they say:

"Lexington should have an artificial gas plant.

"This appears to be the only solution of the annoyance, not to say suffering, which the consumers are compelled to endure every time that the mercury drops close to the zero point.

"If the supply of natural gas is inadequate at the very time that it is most needed, the company which controls this commodity should certainly take steps to protect the community against loss and suffering when it is absolutely necessary that its customers be given the service for which they are expected to pay a price that is profitable to the stockholders in the enterprise.

"At Cincinnati the corporation which controls the natural gas supply has erected a plant for the manufacture of the artificial article and in a short time now expects to be able to meet every demand that may be made upon it, even in the coldest weather.

"The Leader does not know how cheaply artificial gas can be manufactured, or whether the local company can afford this method of overcoming the trouble which overtakes us whenever the weather gets extremely cold, but good business sense and a proper regard for the people of the city which has granted the company a franchise should prompt an investigation into the feasibility of erecting a plant for the manufacture of artificial gas, or a full and candid statement of why this is impracticable, if it is impracticable, should be forthcoming.

"The people of Lexington, if they can avoid it, cannot well afford to place themselves at the mercy of a fuel supply which is as capricious as that upon which they in large measure now depend. A year ago there was great inconvenience and loss, to say nothing of personal discomfort, as a result of a break in the mains in the territory east of Lexington. A few weeks ago this was repeated, but for a shorter period, and during the past week hundreds of homes have been practically without gas for cooking or heating purposes.

"The Leader is convinced that the local stockholders and officials of the gas company are blameless. They have not been careless, but on the contrary have done everything they could to protect the consumers. This, however, is not sufficient so long as it is at all possible for them to provide additional means of giving that quality of service which modern business standards have established.

"If artificial gas can be manufactured in Lexington at a price that is at all reasonable, it is important that it be done. People as a rule do not complain as much about the high cost of an article as they do about unsatisfactory service."

## GOVERNMENT AND GAS

"Whatever the manufacturing needs of the Government—all men know they are exigent—the essentials of the people's well being cannot be diverted at such a time, while there are still means by which Government manufacture of munitions can be carried on," says the Louisville (Ky.) Times. "Therefore, it is inconceivable that with the temperature below zero, and Louisville dependent upon gas for heat as well as for domestic and public cooking, that the Government will insist upon diverting Louisville's gas supply to the steel mills at Portsmouth.

"Mayor Smith has taken prompt action and we are to expect that our representatives at Washington will find means to dissuade the Government from its purposes of taking away the city's fuel supply. There are nonessential industries in possession of coal supplies that could better be diverted to Government uses than the use of the gas that would hazard the health of this community. Undoubtedly the Washington authorities are ignorant of conditions in Louisville—or were ignorant of them until our representatives were informed of the plan to divert Louisville's gas.

"More than 42,000 families are directly dependent upon gas for their food and largely for their heat, while almost the entire city in some ways are users of gas. These people have undergone considerable hardships during the past few days—and without complaint of moment. They have shown their fortitude in the face of a condition for which there seemed no alternative; but they could not stand to have taken away even the little gas they have been able to obtain during the period of bitter weather they are just now enduring. It is most unlikely the Government will insist upon taking the gas once officials are informed of the true state of affairs."

### THE ADVANCE IN PRICES OF CRUDE

There is no doubt in the minds of students of oil conditions and in the mind of the operator that the advance in the prices of oil would have come in September had it not been for the fear of price-setting by the Government. The last fluctuation in crude markets was in August, when 25c the barrel was added to Ohio Valley grades, and since that date markets have remained firm and production has steadily declined.

Ohio Valley crude is needed for lubricants more than any other grades. It is the highest grade oil in the world, but the field has been generally punctured and repunctured. From Alleghany County, New York, to the Kentucky line on both sides of the river the acreage has been so carefully tested as to leave only spots for congested pools. There is yet some possible territory in Southern West Virginia and on the Ohio side, but West Virginia has been a distinct disappointment the past year. This first advance is expected to go through to the coast, for it has been demonstrated that more oil must be produced. Even the great mid-continent of Kansas and Oklahoma is slipping, and the only new Western field in sight is what Wyoming may uncover.

Conditions the world over in the oil trade are bullish. Kerosene, long a drug, has advanced and gasoline is sure to follow. British oil imports are normal, averaging around 8,000,000 gallons. Over 5,000,000 gallons of gasoline were included in the last announced receipts. The demand for oil steadily increases, not only for the allies, but for other countries where the introduction of the gasoline driven engine has been thoroughly introduced during the last few years. The decrease in the manufacture of pleasure cars as anticipated in the motor world will not be a deterrent factor to the crude oil producer and refiner, for the thousands of aeroplanes and motor trucks for war purposes will require a greater quantity of refined oils than pleasure cars could possibly consume.



View of Torrent Station, Wolfe County, Kentucky, loading point for Ashley and Signboard Districts.

### NEW OIL PAPER TO BE STARTED IN LEXINGTON.

Publications of Guy Bell and J. L. Tucker to Merge Into the Oil World.

(Lexington Herald.)

The Oil World, a new publication which will be edited by J. L. Tucker and Guy Bell, will begin next week in Lexington. The new publication, which will give its attention entirely to news of the oil fields and development, will be formed by a merger of the Irvine Sun, of Irvine, Ky., and the Oil World, of Pittsburgh, Pa.

Mr. Bell, well known to Kentucky oil men, has for two years been editor of the Irvine Sun, which has gained a reputation as an oil journal.

Mr. Tucker has published the Oil World, from which the new Lexington paper will take its name, for more than a year in Pittsburgh, Pa.

The first issue of the new oil paper is expected to come off the press December 15. Offices will be opened up immediately in the Security Trust Company and branch offices will be established in Cincinnati and Pittsburgh.

Through correspondence the new oil journal expects to cover the news of every oil field in the country. Correspondents will send in the doings of the fields of the United States, Mexico and Canada, while especial attention will be paid to the new industry in Kentucky.

### LUCIEN BECKNER, A LIVE ONE.

Lucien Beckner, of the Publicity Committee of the Kentucky Oil Men's Association, is a native of Kentucky, having been born in Winchester where he now resides. He was educated at Centre College, Danville, Ky., at the State University of Kentucky and at eastern institutions where he did special and post graduate work.

For twenty-five years he has practiced as a geologist in the eastern Kentucky field, working in oil and coal and timber. He has watched development go up and down, dropping into other businesses when development would die down. He studied law at Centre College but has never taken much interest in its practice, preferring the life in the open of the geologist and engineer. He was employed as engineer on the preliminary survey of the Lexington & Eastern railroad; worked on the old State Geological Survey under Prof. John R. Proctor, and has worked for some of the most prominent oil and coal producers in the United States and elsewhere.

Nearly all of his life he has been a publisher, endeavoring by means of the press to stimulate education, progressive views and increased knowledge of the resources of Kentucky. His selection on the Publicity Committee is deserved in view of his special training as a geologist and newspaper man. At present he is not employed by any one company but is engaged in consulting geological work, located at Winchester.



## OIL PRICES.

LIMA, December 18.—Crude oil prices for the various fields reached by the Standard Oil and Texas Company pipe lines are as follows at the wells: Pennsylvania and Southeastern Ohio \$3.75, Mercer black \$2.23, Corning \$2.80, Cabell (W. Va.) \$2.72, North Lima and South Lima \$2.08, Wooster (Ohio) \$2.38, Illinois \$2.12, Indiana \$1.98, Princeton and Illinois, \$2.12, Plymouth (Ill.) \$2.03, Ragland \$1.20, Kansas and Oklahoma \$2, Corsicana light \$2, Corsicana heavy \$1.05, Healdton \$1.20, Electra, Thrall, Henrietta, Strawn, Moran, Cushing and Yale \$2, De Soto \$1.00, Creighton \$1.40, Caddo 38 degrees \$2, Caddo 35 degrees \$1.90, Caddo 32 degrees \$1.75, Caddo crude 1, Canada \$2.48, Northern Texas \$2, Sour Lake, Humble, Markham and Vinton \$1.

## KENTUCKY FIELDS

## KENTUCKY RUNS AND COMPLETIONS.

Oil runs and completions for the week, reported by the Cumberland Pipe Line Company, show District 7, Fitchburg, leading the runs with 19,365.95. Completions for the week were most noticeable in the Pilot No. 14 and Zachariah No. 16 Districts, in Powell county, where there was unusual activity. The Eureka tract, No. 4, of the Southern Oil Company, is given an estimated production of 270 barrels, leading the list. The second highest production is given to the Irvine Development Company's No. 5 well, on the Rogers lease, with 100 barrels. Three dry wells were struck in the Powell county operations. The report follows:

RUNS.				
Dis. 1	Busseyville .....	344.49	" 10 Wagersville .....	2,546.86
" 1a	Fallsburg .....	1,187.55	" 11 Beaver Creek .....	130.44
" 2	Cooper .....	833.64	" 12 Ragland .....	575.41
" 3	Denney .....	751.26	" 13 Parmleyville .....	443.87
" 5	Steubenville .....	879.02	" 14 Pilot .....	15,366.16
" 6	Cannel City .....	162.08	" 15 Pilot .....	2,538.27
" 7	Fitchburg .....	19,365.95	" 16 Zachariah .....	1,179.47
" 8	Ravenna .....	6,247.70	" 9 Stillwater .....	531.47
" 8a	Ravenna .....	5,333.37		
" 8b	Ravenna .....	15,954.18	Total .....	74,649.53
" 9	Campton .....	247.51		

## COMPLETIONS—ESTIMATED PRODUCTION.

District 10, Wagsville, Estill County, Ky.—Clark & Company, No. 4, Wade Park, dry.

District 14, Pilot, Powell county, Ky.—Russell Oil Land Company, No. 1, Burke Hall, 40 barrels; Caddy Oil Company, No. 1, J. J. Wells, 25 barrels; J. T. Hervey, No. 15, Eli J. Baker, 100 barrels; Irvine Development Company, No. 5, H. S. Rogers, 15 barrels; Ohio Oil Company, No. 1, Joe Mullins, 70 barrels; Henry Clay Oil Company, No. 4, Ludisa Sparks, 10 barrels; P. J. White, No. 44, John M. Ashley, 50 barrels.

District 16, Zachariah, Powell County, Ky.—Carter Oil Company No. 3, Sullivan & Clin, 3 barrels; Kenova Oil Company, No. 2, Ed Kinkead, 5 barrels; Southern Oil Company, No. 4, Eureka tract, 270 barrels; Illinois Oil Company, No. 1, J. D. Kincaid, dry; Kentucky Petroleum & Production Company, No. 2, S. T. Whisman, dry; P. J. White, No. 2, Spencer Heiks, 25 barrels.

## IN LEE COUNTY.

In Lee County the Hopewell Oil & Gas Company shot its number 2 well on the old Shearer lease, about four miles north of Beattyville. It is reported to be from one to two hundred barrels a day in promised production. The drilling was through seventy feet of oil-bearing sand. The finding of oil in this well will cause the company to drill deeper in Hopewell No. 1.

Following the recent finds in the Lee county oil tracts, excitement over the prospects of the county's success is running at a high pitch. Enormous prices are being paid for leases and royalties. White Bros. are drilling on the Bernice Noland lease about four miles north of Beattyville, and within four hundred yards of where the Hopewell company shot its No. 2.

Prominent Cincinnati capitalists are listed among the stockholders of the Torrent Oil Company, a new company recently incorporated under the laws of the State of Delaware with a capitalization of \$300,000, all common stock.

Organization of the company has been effected with the following officers: Harry S. Leyman, President; Eli Howell, Oklahoma City, Vice President; C. W. Shepler, Cincinnati, Secretary; W. G. Wellon, Cincinnati, Treasurer. The four officers, with T. J. Corcoran and J. J. Shevin, Cincinnati, constitute the Board of Directors.

Holdings of the new company embrace 5,000 acres of oil leases in Lee county, Ky., in the heart of the Kentucky oil field.

Contracts have been entered into with three drilling contractors to start operations at once on several leases, the first location being on the Puckett Bush farm, 10 feet from an 800-gallon producer.

Main offices of the company have been established at Winchester, Ky., Ernst, Cassatt and Cottle, Cincinnati, are the attorneys of the company.

The Neha Refining Company has purchased a boundary of land of the K. U. Land Company at Campton Junction on which they will erect an oil refinery. Work on the refinery is to be commenced at once and pushed until completed.

Judge D. W. Gardner has called a special term of the Wolfe circuit court to convene December 21, to try the case of J. B. White, executor, etc., vs. W. B. Bush, etc. This suit embraces about 2,000 acres of land lying in the heart of the oil territory at Torrent.

In Wayne county, L. G. Neely got a dry hole at his first test on the property of the Burnett heirs.

In Lawrence county in the Fallsburg district, the Ohio Fuel Company got a three-barrel well at No. 1, W. C. Rider. The same company's No. 2 on the J. C. Short pumps 5 barrels.

The Ohio Oil Company has purchased a 55,000-barrel tank from the Monarch Oil Co., which is located in the Fitchburg district of Estill county. This gives the Ohio six tanks of this size for that territory.



No. 8, McCombs Oil Company's well, Irvine field, good for 150 barrels.

## PERSONALS

Ira Huff returned Thursday from a two days inspection trip.

P. J. White was in the city this week.

George Hinton was a Cincinnati visitor Tuesday.

C. R. Dulin went to Greencastle on business, Thursday.

R. A. Childs, the gullible oil man, was a visitor Tuesday.

J. H. Byrd left Tuesday for a trip of a few days in Canada.

Reynolds, of the Star Drilling, has gone home for Christmas.

Carl Dresser is spending the holidays in Bradford, Pa. We miss him.

J. R. Hunter went to Torrent Thursday, to look after the Kenova drilling.

Clyde Tipper, connected with gas interests, left for Memphis, Wednesday.

W. S. Mitchell left for Boston, Monday, to spend Christmas with his family.

Skelly, of the Frick & Lindsay Company, was a Lexington visitor Thursday.

Old Man Shirley is still drilling in the N. E. quarter of the N. E. quarter of the Phoenix Hotel.

E. M. Nowell arrived in the city Tuesday and left for Beattyville that evening.

Tom White arrived in the city, Sunday, and has been busy on inspection tours all week.

Doc Northcutt, a pioneer from Mt. Sterling, has been spending the week in the city.

George Harmon has a heart as big as an ox. He is always there when affliction comes.

Joseph Hervey is in Chicago and will spend the holidays at his home in Cleveland, Ohio.

Winchester is alive to the oil possibilities. They show it when they offer to build a club house for the oil men.

M. F. Christian, of Marietta, Ohio, representing the American Developing Company, is here to start drilling.

Adonis Kelly, Bean Brummel Sam Bell and Lady's Delight Byron Reed are familiar figures around the Phoenix.

Curley Phillips left for Philadelphia, Friday morning. He carried such a heavy load that it took an extra engine.

Wm. J. Kennedy and G. D. Lane, of Chicago, were in Lexington, Thursday, consulting their associate, W. W. Agnew.

Judge Gourley, of Beattyville, was in the city Monday. The Judge has a very large acreage between Beattyville and Torrent.

Mr. Van Sant, of Elliott county, was a visitor Wednesday. He has great faith that this county will produce large quantities of oil.

"Doc" Hall, of Mt. Sterling, is in the city and he expresses the opinion that Kentucky is just beginning to realize the magnitude of the petroleum industry.

Have you joined the Red Cross? They pour oil upon the troubled waters, cheer up the sick and wounded and make the life of the soldiers worth living.

Roy C. Snyder, of Monticello, who is field manager for The Wood Oil Company, is in Lexington, and he states that his company will do more drilling than ever during the next year.

H. C. Starkey, of the Fisher Oil Company, drilling at Glen Mary, Tenn., was in town for a few hours. He went east for a packer, as the express companies are slow on delivery.

C. J. Sipple, of London, Ky., is in the city. Mr. Sipple has made quite a reputation as a salesman of leases and has thus far sold upwards of two hundred thousands of acres to big operators.

D. D. Flanagan, of Cincinnati, who is the prime mover in the Monarch Oil Company, one of the leading new operating concerns in Kentucky, arrived in Lexington Wednesday for a brief stay.

We earnestly recommend that the president do one of three things to keep the railroads from throttling industry: Either loan the railroads \$500,000,000, increase rates, or hang about ten of the operating vice-presidents.

Chet McCombs, of Winchester, who is general manager of the McCombs Oil Company, is a visitor. His company has considerable production in the Irvine pool and he states that considerable test work will soon be done by his company in Knott county.

H. L. Leete, of Irvine, who by the way made the first oil map of the Irvine field, was the first to buy a copy of The Oil World. The first lady who purchased a copy of The Oil World was Mrs. J. R. Hunter, of New York, but now of Lexington.

We thought we had rented offices in the Security Trust Building, but we find it was only a privilege of paying rent, as the agent of the building informed us that a door mat was not permissible, criticised our rugs and dictated where we should place the furniture. We do not wonder that this building has so many vacant offices.

LOUISVILLE, KY. Kenyon Building. LEXINGTON, KY. Phoenix Hotel.

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KENTUCKY

## OIL MAP

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The Legend indicates all producing wells, gas wells, showing dry holes and wells drilling in the various districts in the six counties marked correctly to date and including a special Lee county supplement.

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SURPLUS, \$215,000.00

DEPOSITS, \$1,000,000.00

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## BOWLING GREEN

## OIL MEN'S ORGANIZATION ENJOYS

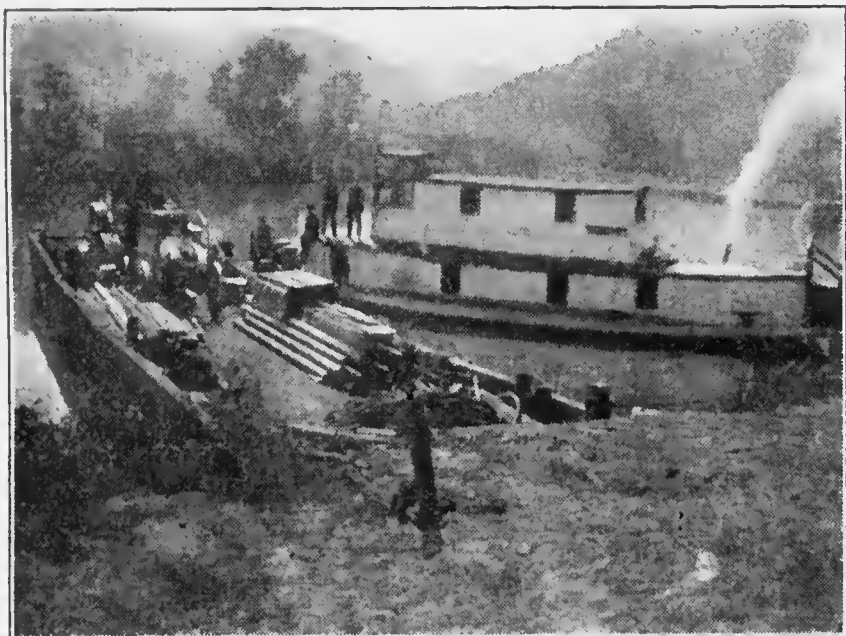
## A BANQUET AT BOWLING GREEN

BOWLING GREEN, Ky.—A new organization of oil men here enjoyed a banquet on Wednesday evening, December 5, the feast having been prepared by the Red Cross young ladies. It was a genuine success in every way and the Red Cross members as well as the oil men deserve much praise on account of the way in which the affair was managed.

The name chosen for the association is "The Central West Oil Men's Association" and its membership list starts in at 30. Officers are as follows: President, Edward R. List, of Centralia, O.; Vice President, W. W. Hines, of Bowling Green, Ky.; Treasurer, L. G. Duncan, of Bowling Green; Secretary, D. L. Reeves, of Marion, Ind.

Those attending the banquet were: H. E. Dixon, J. M. Reed, R. O. Huntsman, A. G. Braswell, C. V. Chipman, Scottsville; B. S. Huntsman, Ray S. Caskey, N. P. Lines, Carl B. Anderson, C. I. Goerman, Col. M. H. Crump, L. G. Duncan, G. H. Moseley, E. H. Hyman, Julian W. Potter, F. R. Chandler, Lincoln Hill, Carden Green, Bowling Green; A. B. Lee, Wooster, O.; J. F. Sweeney, Buffalo, N. Y.; H. S. Nicoll, M. J. Sullivan, Kansas City; W. L. McClanahan, Wichita, Kansas; C. A. Lamm, Bartlesville, Okla.; P. C. Harkless, J. A. Bender, Pittsburgh, Pa.; Edward R. List, Centralia, Ill.; F. L. Reeves, Marion, Ind.; C. W. Benson, Independence, Kan.; J. C. Parson, Franklin, Ky.; J. W. Dickason, Russellville, Ky.; J. C. Kraus, Indianapolis, Ind.; E. C. Anderson, Morgantown, Ky.; R. U. Perry, Lancaster, O.; T. M. Hunt, Lindsborg, Kan.; E. H. Adams, Jr., E. O. Harney, Findlay, O.; W. H. Mahon, Duluth, Minn.; G. S. Hulings, Oil City, Pa.; J. R. Donaldson, Boston, Mass.; Z. I. Ryan, Tulsa, Okla.; R. A. Patton, Monticello, Ky.; McKenzie Moss, of Bowling Green, Ky., and Geo. A. Whitney, of Toledo, O. Many that had planned to be present at the banquet and organization were unable to do so, and when the meeting for organization was called to order by Col. Crump, acting chairman, it was found that the members of the new association number about thirty.

BOWLING GREEN, Ky.—The little hamlet of Adolphus, in the extreme southern part of Allen county, Kentucky, and close to the Tennessee line, is showing some activity in town-plot development work. The pay sand in this field is found at a depth of about 80 feet. J. W. Cashdollar, of Lisbon, O., and who recently sold his large gas interests there, dropped into Adolphus, and not being able to secure any large amount of acreage jumped in on town lots and is running two strings of tools. Mr. Cashdollar has started a well on a lot owned by Kirby and commenced spudding late in the afternoon. Molley & Edwards are drilling their No. 2 on the Hinton lot, close to the well drilling by Cashdollar on the Kirby lot. Nicoll & McClanahan have started work at No. 2 on the Benedict farm. North of the Adolphus field, over a mile towards Scottsville, between Adolphus and Petroleum, there is some drilling activity. Walker and others on the Tucker farm are drilling at Nos. 3 and 6. No. 4 has been drilled in and looks good for 50 barrels and No. 5 about 10 barrels at the start-off. The Apex Oil Company, on a hill above the valley where the Walker wells are struck, has some salt water in its well on the Debie farm. The first well of Holley & Edwards on the Hinton lot is no doubt the best well in either the Adolphus or Walker pools, as it is credited with a production of 85 barrels. The well drilled by the Taylor-Smith-Hay Oil Company on the Barbee farm, along the Franklin pike southwest of Scottsville, is not very encouraging to the owners, although eight feet of sand was found below the shale and had a slight showing. The owners will not plug or pull out the pipe, but will let the well remain idle for some time and await results. The Gainesville well on the Moore farm, drilled in several weeks ago and ordered abandoned by the owner, and which later on broke through and flowed, is without doubt the best well in Allen county today. This well can be made to produce 100 barrels if properly handled. Fisher and others are moving a drilling machine to the north of Scottsville for a test on the Buchanan farm.



Kentucky River Oil Company Operations at Willow Shoals, Lee County.

C. W. Benton, of the State Line Oil & Gas Company, of Independence, Kan., is making his headquarters at Bowling Green, while testing out a large block of territory near Lafayette, in Macon county, Tennessee, just south of the Allen county line. His company will drill three deep tests.

F. R. Chandler and A. E. Tripp are starting a purely wildcat well on the Henry Allen farm, in Warren county, about 12 miles east of Bowling Green.

In Jackson district, to the west nine miles or so from Bowling Green, also in Warren county, the Chemault Oil & Gas Company is starting a test on the Luther Jackson farm, nearly a mile south of its No. 1 on the John Jackson farm. The Mississippi Oil & Gas Company is drilling its second well on the Frank Jackson farm, and to the west of No. 1. The New Domain Oil & Gas Company is drilling at its test on the Colbran lease in the same vicinity. The well on Thursday had reached a depth of about 125 feet.

Northwest of Bowling Green, H. W. Johnaten and others struck a strong flow of salt water at a depth of 321 feet in No. 2 on the Enos Harris farm.

Anderson T. Herd's test well near South Union, across the Warren county line in Logan county, has reached a depth of close to 150 feet.

H. S. Nicholl, of Kansas City, and a well-known operator, has leased up a block northwest of Bowling Green, in the Richardsville district, and expects to start a test as soon as a machine and material can be secured.

Phil S. Fenn and others, well-known operators from Indiana, are getting ready to start a test on the Garrison farm, in the bend of Barren River, in Warren county and about nine miles east of Bowling Green.

The Independent Oil Company, of Findlay, O., represented by E. H. Adams, Jr., drilled a well on the Price Hunt farm, about six miles southeast of Bowling Green, and found 12 feet of sand, but the well is reported to have been abandoned.

James L. Mahon, of Superior, Wis., has made locations for three important test wells in the southwestern corner of Allen county on the Wainwright, Cooper and Meadow farms, and the well to be drilled by E. F. Davison, also of Superior, on the F. B. Harris lease, will give that section of the county a pretty fair test. Casing is being hauled to the same section of the county by the Walmer Oil Company for wells on the Lester and L. E. Charlton farms, where work will start as soon as the drilling machine can be moved to that section.

## Illinois Field.

The northern portion of the Central West fields is covered with several inches of snow and the jingle of the sleigh bells can be heard. In Casey Township, Clark county, Paul Kuhn drilled a 5-barrel pumper in well No. 6 on the northwest corner of the Zora Shawver farm, Section 10, and the Hudson Oil Company's No. 22 on the northeast corner of the William Deahl farm, Section 15, is a dry hole.

In Orlong Township, Crawford county, A. F. McDonel and others' No. 14 on the Orlando Dee farm, Section 5, and 400 feet from the north line and 800 from the east line of the farm, pumped 5 barrels. The Mahutka Oil Company's

farm, Section 15, are dry holes, and No. 14, recently drilled, was one of the same kind. In Prairie Township, Watson and others' No. 2 on the S. S. Green farm, Section 8, 700 feet from the south and west lines of the farm, was dry at 999 feet deep.

In Petty Township, Lawrence county, the Ohio Oil Company's No. 5 on the southeast corner of the Clint Thorn farm, Section 12, pumped 60 barrels. The Kirkwood sand, at a depth of 1,580 feet, furnishes the oil, but the hole was drilled to a depth of 1,720 feet. In Bridgeport Township, the same company drilled No. 38, an old gas well, on the S. N. Cooper farm, Section 5, which was No. 38, deeper and has a 2-barrel pumper.

In Carrigan Township, Marion county, Francis J. Casey's test on the W. S. Garrish farm, Section 17, was a rank duster at a depth of 1,851 feet.

In Lamoine Township, McDonough county, Phil E. Elting's No. 25 on the Walton-Graddy farm, Section 18, pumped 2 barrels and No. 26 pumped 5 barrels.

## Indiana Field.

The best well of the week in Indiana was developed in Sullivan county, and is E. R. Riggs' No. 1 on the H. H. Hoseman farm, Section 10, Gill Township, located 200 feet from the north line and 660 from the east line of the farm. The well produced 125 barrels. His test just drilled in on the southeast corner of the E. E. Brokaw farm, Section 3, is a dry hole. In Thurman Township, the Pontotoc Oil Company's No. 2 on the southwest corner of the James F. Galbreath farm, Section 14, pumped 35 barrels, and the H. & S. Oil & Gas Company's test on the northwest corner of the A. Hopewell farm, Section 12, pumped 3 barrels. In Curry Township, the W. C. Kennedy Oil Company's No. 13, A. Boyer farm, Section 31, pumped 12 barrels.

In Madison Township, Pike county, the Michael Murphy estate's No. 2 on the Green M. Reed farm, Section 31, 200 feet from the north line and 660 from the east line of the farm, pumped 35 barrels from the sand at from 1,271 to 1,274 feet. Its No. 7 on the southeast corner of the Jacob C. Smith farm, Section 31, pumped 12 barrels at from 920 to 934 feet, and No. 7 on the J. P. Rumble farm, Section 36, pumped 12 barrels at from 919 to 939 feet. The Ohio Oil Company's No. 2, P. C. Gladish farm, Section 6, pumped 12 barrels at from 949 to 973 feet.

## Lima Field.

Few completions were made in the Lima fields of Northwestern Ohio during the week. In Freedom Township, Wood county, the Cleveland Fuel Oil Company's No. 4 on the Herman Czirr farm, Section 29, pumped 20 barrels. In Portage Township, John Hozey's No. 3 on the northeast corner of the Hilliard heirs' farm, Section 25, pumped 10 barrels, and the Paragon Refining Company's No. 3, L. E. Tew farm, Section 14, in the northeast corner of the farm, pumped 5 barrels. In Bloom Township, the Brennen Oil Company's No. 21 on the southeast corner of the M. L. Donchy farm, Section 30, was a dry hole.

In Liberty Township, Hancock county, Ryan, Newton & Company's No. 18, Z. Bish farm, Section 32, pumped 15 barrels. In Eagle Township, J. M. Steen and others' No. 14, S. M. Deeds farm, Section 6, pumped 15 barrels. In Union Township, M. A. Jones' No. 17, M. A. McClelland farm, Section 26, pumped 10 barrels.

In German Township, Allen county, the Ohio Oil Company's No. 11, B. D. Miller farm, Section 14, pumped 18 barrels. In Spencer Township, E. A. Brean's No. 11, B. Kramer farm, Section 13, pumped 23 barrels.

In Washington Township, Sandusky county, the Munch Oil Co.'s No. 14 on the Geo. Munch farm, Section 29, pumped 20 barrels, and C. D. Walters and others' No. 4, P. Bach farm, Section 30, pumped 12 barrels.

## OHIO OIL OPERATIONS.

WOOSTER, O.—Things have been quiet in an oil way in the Wooster field of Wayne county, in the northern end of the Central Ohio field, for some time, but it now looks as if there would be a speeding up of the work. The Ohio Oil Company is drilling No. 8 on the Wayne county infirmary farm, in Section 12, Wooster township, and located 875 feet from the south line and 310 feet from the east line of the 160 acres, also a test on the northeast corner of the William Aylesworth 121-acre farm, Section 13, and has a rig in for a test on the southwest corner of the Victor Besancon 81-acre farm, Section 13. These wells are to the southeast of Wooster, possibly three miles by road. Ewing and others have a rig in for No. 4 on the C. F. Fry 121-acre farm, Section 14, and located 1,400 feet from the south line and 140 feet from the east line of the farm. In Franklin township, same county, the Ohio Oil Company is drilling No. 9 on the W. P. Snyder farm, Section 23.

LIMA, O.—Buckeye Pipe Line Company has granted employees an increase of 10 per cent in wages and in addition a bonus of \$10 a month. Both plans are in effect to begin January 1.

## BANQUET AT WINCHESTER.

The reception of the Oil Men's Association of Winchester which marked the formal opening of their club rooms, in the Opera House Building, was attended by 275 guests, and was one of the many auspicious affairs given there since Winchester became an important oil town.

The club rooms were decorated in carnations and palm for the occasion, adding to the enjoyment of the evening.

Guests from Irvine, Beattyville, Paris, Lexington, Richmond and other Kentucky cities were present as well as a number from other states. Officials of all local oil concerns were in attendance as well as many individual operators. A large delegation of Winchester business men were also present with their wives. Several local ministers were also in the number.

Refreshments consisting of punch and sandwiches were served by Mrs. R. C. Oldham, Mrs. Mithoeffer and Mrs. Cecil Parks. Music was furnished by the orchestra of the Colonial theatre.

The members of the club were heartily congratulated upon the success of the occasion and upon the appearance of their spacious suite of club rooms, by all present. Heaps of praise were especially bestowed upon the President, Vice-President and Secretary and Treasurer, Messrs. J. B. Pierce, J. W. Davis, of the McCombs Oil Company and Col. R. C. Oldham, of the Gaines Oil Company.

The reception was not only one of the most enjoyable affairs of the season, but will serve to bring the business men of the city and the Kentucky oil men into closer personal relations.

"Keep cool, keep cool," advised a local gas official to an irate customer who had been making threats to sue the company. "Keep cool!" yelled the complainant; "that's exactly what's the matter! It is so cool at my house that even the gas fumes are frost-bitten." Then he dashed from the office, leaving the door open behind him.

## Kentucky Oil Men--

MAKE THE

Sinton Hotel  
Headquarters

WHEN IN—

Cincinnati,  
Ohio

J. L. HORGAN, Manager.

## CALIFORNIA FIELD

## IN MONTEBELLO FIELD.

LOS ANGELES, Cal.—While there is no lessening of interest in the various locations surrounding the proven district of the Montebello field, results are coming in very slowly and no new completions are being recorded that would indicate the extent of any great proven area. Many elaborate estimates are being published as to the possible extent of the field, some even going so far as to estimate the amount of oil that may be "reasonably expected to be produced from the field," but experience in this line of reasoning where other fields have been concerned has shown the utter fallacy of such reports. It has already been demonstrated by drilling that some of the theories as laid down by expert geologists have worked out quite contrary to expectations. For instance, in the No. 1 well of the Union Oil Company it is stated by one geologist that it was a matter of surprise that the oil sand was found at its present depth, as according to all proven rules from a geological standpoint there should have been a dip of at least 1,000 feet in the location of the oil sand. So it would seem that the future importance of this field will rest more on the outcome of practical developments than upon the theories as laid down by professional geologists.

The Red Star Petroleum Company has decided to let their No. 1 well east of the Temple ranch rest at its present production in the first sand, as it is holding up at 1,200 barrels a day. They have started drilling on Well No. 2 which may be sunk into the lower sand, providing of course they do not get a repetition of the present well.

The Union Oil Company is still producing oil from which their No. 1 well on the La Merced ranch which was finished in the first sand contrary to expectations, as they intended drilling into lower sand. The well started at 1,100 barrels a day but last reports had declined to 700 barrels a day.



J. GOURLEY, Los Angeles,  
California Petroleum Corporation.

## WYOMING FIELD

CASPER, Wyo.—Several new fields are being much talked of at present, chief among them being the Hidden Dome, 16 miles southeast of Worland and 150 miles northwest of Casper, and a new field in Lincoln county. Many operators are drilling in the former and a considerable rush is apparent to the latter.

During the middle summer the Hidden Dome was the scene of several near-shooting affrays, owing to a misunderstanding caused by faulty survey. These difficulties in many instances have been adjusted and a large force of men are at present employed developing that section.

The principal companies operating on the dome at present are the Ohio, which has an estimated eight-million-foot wet gas well, on the southeast quarter of Section 31-48-90. The Hecla-Wyoming is drilling on the northeast quarter of the northwest quarter of Section 6-47-90. The Casper-Embar's well on the northeast quarter of the southwest quarter of Section 6-47-90, has reached a depth of 1,000 feet. The management says it expects to reach the first Well creek sand at a depth of 1,400 feet. The Baker Oil Company, on the southwest quarter of Section 6-47-90 is spudding in a well, while the Joe Cook interests are drilling on the southeast quarter of Section 31-48-90. The Ohio Company is drilling an offset well to the Cook on the same quarter.

In the same field the Weber Petroleum Company has installed a Leideker rig on the northeast quarter of the southeast quarter of Section 25-48-91. In addition to this the Cosden people control considerable land in Sections 13-18-19 and 48-90-91. The Hidden Dome Oil Company has the south half of Section 1 and all of Sections 2 and 11 in 47-91.

In the Lander field, the Western Exploration Company brought in a good well last week. The well is said to be one of the best in the field.

The Carmania Oil Company, after a break-down lasting a week, has resumed drilling in the Plunkett field. This company is also drilling a shallow well in the Government withdrawal. The management says it will pierce a hole to a depth of from 800 to 1,000 feet.

The Center Oil Company has been experiencing unusual difficulty the past month, but has again resumed drilling in the Pilot Butte field.

## Kentucky Leases For Sale

I have (26,000) acres of OIL and GAS LEASES in fine structure in the Asphalt Fields of Kentucky. Gas has been found on one side and Oil on opposite side of this property. It is checker-boarded with property which The Southwestern Petroleum Company and Ralph Hochstetter are now drilling and which they are under contract to develop. Will sell in any quantities.

For Particulars, Address  
W. E. WILLIAMS

13th Floor Fayette Bank Bldg.

Lexington, Ky.



## EASTERN MARKET

## EASTERN MARKET ADVANCED.

PITTSBURGH, Pa.—The week of development work in the eastern fields was of considerable more interest than the one preceding, the most important feature being the advance in the credit-balance market. On last Tuesday morning when the Seep purchasing agency opened, the price quoted for crude of the Pennsylvania grade was marked up 25 cents, making the quotation \$3.75, other grades ranging from 10 to 20 cents. The advance is greatly appreciated by operators. They have been up against a pretty hard proposition. The cost of material and labor had reached a point where there was little profit in developing most of the available territory in Pennsylvania, West Virginia and Southeastern Ohio.

For the first time in a number of months the Gordon sand pool in Springhill Township, Greene County, Pa., supplied a near-gusher. It is the Manufacturers Light & Heat Company's No. 4 on the L. & M. Strobe farm, located in the Isminger pool. The first 24 hours after the well was drilled in it placed 385 barrels to its credit. The next 24 hours the gauge showed a production of 275 barrels. The location of the well is just a short distance in advance, to the west, of previous production. The same company's No. 1 on the same farm, long delayed with a fishing job, was expected to get the pay, but is again delayed with another fishing job.

In the East McKeesport district, Versailles Township, Allegheny county, Horning, VanAvery & Company got a gas well on the McClure farm, in the Speechley sand. When tested it showed a capacity of 7,000,000 cubic feet a day.

## TEXAS FIELD

## LEASERS ARE ACTIVE.

WICHITA FALLS, Texas.—The Texas & Pacific Coal Co.'s well on the McCleskey tract near Ranger, the Magnolia Petroleum Co.'s well in Coleman county and other developments in recent weeks have resulted in great leasing activities, extending through Young, Parker, Palo Pinto, Eastland, Coleman, Shackelford, Stephens and Callahan counties. Thousands of acres have been leased in the vicinity of Ranger and land is being leased as far as 20 miles distant from the discovery well. As high as \$300 an acre has been paid for land a mile and a half from the well.

The rain reported last week was not heavy enough to give much relief for the water situation, which remains serious and which is responsible for many rigs throughout this territory being shut down.

Operations during the past week have not added much in new production. The best completion for the week is The Texas Company's second Bywaters, No. 61, at Electra, which started off at 400 barrels. The sand was found at 1,070 feet and the well was completed at 1,688 feet. Another completion of The Texas Company was its Skinner No. 30, which is making about 40 barrels from a sand at 681 to 695 feet. Mrs. L. Sanders' Ward & Todd No. 1 is reported good for 75 barrels from a sand at 586-605 feet. The Magnolia Petroleum Company is swabbing 80 barrels from its W. R. Piper No. 6 at 1,072 feet. The foregoing tells the tale of the new production for the week at Electra.

## FEWER WELLS, MORE OIL.

HOUSTON, Texas.—Although fewer wells were completed in the Gulf Coast region than for several weeks, the estimated daily average production of the various pools shows an increase of 4,431 barrels over that of the week previous. Five tests in the wildcat division were abandoned at depths ranging from 2,300 to 3,575 feet, and two holes are being tested, both showing gas and some oil.

The strike situation is unchanged. Representatives of four of the larger companies met 16 drillers Friday afternoon, but were unable to reach any agreement. It is not believed any more conferences will be held. As the close of the year approaches, operators are manifesting more and more interest in the question of contract quotations for the next six and twelve months and the pipe line companies are awaiting the decision of the Fuel Administration before making any bids.

## MEXICO FIELD

## TWO 15,000 BARREL WELLS.

TAMPICO, Mexico.—Interest in Mexican pools is centering this week on the district bordering the Tuxpam River, news having just been received of two wells coming in in the Alamo and Molino sectors of that district. Both wells belong to the Penn Mex Fuel Co., and while detailed official advices have not yet been received concerning the strikes, reliable information at hand indicates that the two wells are worth while, and one of them, the southern country considered, presents a rather novel feature insofar as gravity is concerned.

The Penn Mex No. 2 Alamo, evidently completed at something less than 2,200 feet, occasioned no surprise, as it is an offset to the company's big producer in the Alamo pool. It is credited with showing up for about 15,000 barrels or better. The other completion is No. 2, Molino, completed at something over 2,700 feet, and good for say 15,000 barrels, but the oil is declared to be heavy, on the order of Panuco crude, say 12 degrees on the Baume scale. This is the novel feature this particular well presents. Molino No. 2 is in the northeast corner of the Molino lease. Due east from it is the Tumbadero lease of the Mexican Eagle Oil Company, where, several years ago, that company drilled two tests that produced heavy-gravity oil for a while, but deeper drilling was not successful, and both wells were eventually declared failures. The performance of No. 2 Molino, with its heavy-gravity flow in such large volume, will be watched with interest. It will be recalled that the general average gravity of all southern field production is around 21 Baume, with the Alamo production scaling slightly higher for fresh oil.

## EDMONTON, ALBERTA, CANADA.

## Peace River District.

The Peace River Oil Company is reported to be planning extensive development work in the Peace River district, following the strike recently reported in McArthur No. 2 well. A. M. Slack, the head driller, was in Winnipeg a few days ago, talking over the situation with the directors of the company there. A number of Edmonton and Calgary men have also been looking over the field. It is not expected that much new work will be started till the McArthur No. 2 is deepened, other leaseholders sitting back and watching developments. The Lord Rhondra interests are reported to be arranging to renew drilling operations. No capacity test of McArthur No. 2 has been reported.

The Alberta Pacific Consolidated Oils No. 1 well, Section 20-19-2, in the Calgary field, is reported shut down till spring. This test has been carried to 3,160 feet but work has been suspended for some months owing to the difficulty of obtaining casing.

David O. Hollbrook, of Pittsburgh, Pa., secretary of the Natural Gas Association of America, has been appointed as natural gas administrator in connection with the War Industries Board. He will direct the distribution of natural gas used in certain Government plants. His extensive experience and interest in gas matters and his abilities as an executive qualify Mr. Hollbrook for the important duties of his new position. He was formerly connected with the University of Iowa.

## OIL MEN

## ARRIVALS AT THE PHOENIX.

Geo. H. Black, St. Louis, Mo.  
J. H. Dougherty, Cynthia, Ky.  
W. V. Grant, Shelbyville, Ky.  
T. G. Stuart, Winchester.  
W. H. Whitney, Paris.  
E. M. Nowell, Cincinnati.  
O. S. Reynolds, Louisville.  
A. H. Patton, Jackson, Ky.  
R. C. Duncan, Nicholasville, Ky.  
Wm. Brown, Irvine.  
H. C. Smith, Harlan, Ky.  
J. F. White, Pittsburgh, Pa.  
Wolfe Sellers, Akron, O.  
W. L. Hart, Anderson, Ind.  
M. G. White, Somerset, Ky.  
P. J. White, New York.  
T. H. Hanratty, Butler, Pa.  
Louis D. Samson, New York.  
Charles D. Arnett, West Liberty, Ky.  
W. H. Lloyd, Louisville, Ky.  
S. P. Hoffman, Louisville, Ky.  
E. Mansfield, Chicago.  
B. Nathansohn, New York.  
C. W. Deming, Tulsa.  
C. L. Taggart, Cynthia, Ky.  
R. C. P. Thomas, Bowling Green.  
S. J. Bishop, Somerset, Ky.  
Ed. F. Baker, Winchester, Ky.  
W. F. Baker, Logansport, Ind.  
M. J. Bligh, Logansport, Ind.  
Charles McDonald, Logansport, Ind.  
Al Goldlove, Logansport, Ind.  
Clay Goldlove, Logansport, Ind.  
E. W. Brooks, Chicago.  
Martin T. Kelly, Irvine, Ky.  
A. W. Shaw, Chicago.  
Chas. H. Morton, Cincinnati.  
J. W. White, Tulsa, Okla.  
D. W. Hunter, Mt. Sterling.  
Alex Sommer, Irvine, Ky.  
J. F. Perdue, Tulsa, Okla.  
Sherman Williams, Hamilton, O.  
Edwin P. Morrow, Somerset, Ky.

J. B. Crawford, Chicago.  
H. L. Carson, Pawlhuska, Okla.  
A. N. Cisco, Grayson, Ky.  
W. H. Cruin, Huntington, W. Va.  
C. L. Bell, Paris, Ky.  
H. L. Murdock, Buckhorn, Ky.  
W. M. Fulton, Spokane, Wash.  
A. L. Komme, Charleston, W. Va.  
Thos. F. Hargis, Jackson, Ky.  
T. D. Perkins, Ravenna, Ky.  
K. B. Gold, Ravenna, Ky.  
O. Daniel, Ravenna, Ky.  
E. M. Zern, Pittsburgh.  
F. C. Fritts, Pittsburgh.  
H. A. Mueller, Pittsburgh.  
Chas. Korer, Cynthia, Ky.  
M. Barnes, Cynthia, Ky.  
H. McClellan, Cynthia, Ky.  
S. R. A. Sarn, Los Angeles, Cal.  
J. H. Harris, Irvine, Ky.  
T. H. Field, Chicago.  
D. W. Clark, Bloomington, Ill.  
W. D. Benson, Robinson, Ill.  
J. W. Davis, West Liberty, Ky.  
G. C. Allen, Winchester.  
J. W. Nolan, Harlan.  
W. B. Beecher, Pittsburgh, Pa.  
Jesse Morgan, Hazard, Ky.  
Cris Davis, Hazard, Ky.  
Fred Matthews, Lansing, Mich.  
C. H. Newell, Columbus, O.  
R. F. Harris, Richmond, Ky.  
J. I. Hall, Jackson, Ky.  
W. M. Adams, Chicago.  
R. F. Schaefer, Chicago.  
James O'Brien, Huntington, W. Va.  
Jos. W. Frazier, Cleveland, O.  
W. P. Vaughn, B. Falls, Pa.  
J. I. Rosenberg, Philadelphia, Pa.  
J. S. Leake, Indianapolis, Ind.  
J. B. Carr, San Francisco, Cal.  
Thos. White, New York.  
P. M. Burgess, Pittsburgh.



No. 3 on Prewitt-Miller lease of 4,200 acres, operated by Petroleum Exploration, Inc. This well filled four two-fifty tanks without pumping off.

## HEALDTON FIELD.

ARDMORE, Okla.—The recent cold snap brought the mercury here to six above zero, which was the coldest weather Southern Oklahoma has had for two or three years. The operators were not expecting such a change, and many of the lines are frozen, and there has been very little work for almost a week. But the weather was not so severe here as it was in the Miami district, where two of the Ardmore fraternity came very nearly losing their lives.

## An Unusual Experience.

Wirt Franklin, president of the old Ardmore Producers' Association, who has been active since the opening of the fields, and his partner, Edward Galt, president of the Ardmore Chamber of Commerce, in company with three other persons, one of whom was I. M. Putnam, formerly of Oklahoma City, were caught out in the blizzard in the Miami zinc fields. The mercury dropped within a few hours to eight below zero, the face of the earth was covered in snow knee deep and in many places it was in drifts waist deep. Their car refused to run, they were off the road and the night was very dark. The company set out on foot to go into the vicinity of the mines and on the way waded into a pool of water and became wet. The ice froze on the sides of their faces that were toward the north, and when the party reached the camp house of the Lion Zinc & Mining Company they were almost frozen and exhausted. If as much as a half mile farther walking had been required the party could not have made it.

Near Granite, Oklahoma, the Doctors' Oil Company, in drilling a test well for oil, struck a substance known as ichthyol, valued by chemists at \$3 a pound. It is found only in a few places in the world.

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## OKLAHOMA FIELD

## PRODUCTION DECREASING.

TULSA, Okla.—For many weeks new work in Oklahoma and Kansas languished because of a shortage of water. Then the rain came and replenished the operator's sources of supply and he prepared to take up his burden of furnishing the country with oil. Just when he was getting fairly started, along came one of the severest cold snaps that the Mid-Continent has experienced in years, freezing everything, and causing idleness where bustling activity would have been under normal conditions. But this is only a passing condition which will soon be relieved, and it will be followed by a busy winter season.

Production from all the pools is showing a decline and something new will have to be opened if Oklahoma continues to produce at the rate of 8,000,000 barrels per month as it has averaged during the present year. Production for this period will fall well below that of 1916 when 116,000,000 barrels was produced, as Oklahoma this year will not yield over 98,500,000 barrels. In the Kansas field there is a different story to tell as this year it will produce approximately 20,300,000 barrels or better by 7,000,000 barrels than the preceding year. This is due mainly to the Butler county development, although all the older pools are showing more activity and some better wells.

During the week just passed there were only 53 completions recorded in Oklahoma, the new production amounting to 6,795 barrels. There were 30 dry holes and six gasers with a combined volume of 30,000,000 cubic feet daily. The old pools are not even holding their own in the amount of new production and very few extensions are being added. Taken as a whole the year has not been a very important one relative to new territory opened. Kansas has been the leader in this respect, while nothing has been offered from Arkansas. Nebraska and Missouri has some development work under way but nothing of interest has come out of those two states.

## Shortage of Gas.

Shortage of gas throughout the entire Oklahoma field has caused some concern during the week. Good wells are completed continually, but the gas companies are not equipped to handle the gas. New lines are being laid from time to time but they are not adequate and a good many homes have been without fuel at times during the past week. There are plenty of good gas pools in the state, especially at Blackwell, in northern Kay county, and in the Permian, in southern Carter county, where there is approximately 275,000,000 cubic feet of gas available daily.

Wildcatting has been very unfavorable during the past year although the wildcatting has carried on a fairly active campaign. Very little has resulted from the work in virgin territory and while a few new pools have been added and new extensions found it has not been sufficient to sustain the daily production. With the old pools gradually slipping the question arises, where is the new supply to come from. Some look for southern Oklahoma to produce many new pools, and others are looking westward. The Osage holds out promise, especially in the western area, where there is approximately 675,000 acres of untested territory. The navy will need much more oil and it is up to the producers to get busy and find it. The fear of government supervision of the oil business has given away to the belief that things will run smoothly the coming year and the producers as a whole are looking for a prosperous season.

During the week in review the features were not numerous. The striking of a small well in western Woodward county was the leading topic and if the well proves to be as good as reported it will cause considerable new work in that direction, being 50 miles from the production in Garfield county. The western area has been gone over with a fine-tooth comb by the leaser and considerable work has been started, but many of the tests have been idle from time to time, but they will probably start again with the recent showing in Woodward county to liven things up. The Cushing pool, which looked as if it would come back the previous week, fell down with a thud and nothing encouraging is reported from the wells there during the past few days.

A well flowing at the rate of 10 barrels hourly in Oklahoma county was the best completion in the development south of Tulsa, where many dusters were recorded during the last several days. That country is very spotted and a gusher, a pumper or a failure never cause much surprise. A 25,000,000 foot gasser in Pittsburg county was an interesting completion as there is a large demand for gas. Blackwell, in northern Kay county, went through the week without a completion in the deep or shallow sand, while at Yale, three wells were finished, the best making 100 barrels. Near Coweta, in Wagoner county, one well made 1,100 barrels, another made 700 barrels, these being the largest completions of the week.

With the recent advance in the credit balances in the Pennsylvania field some optimistic Oklahoma producers are looking for an advance. It is true that production is falling off and that more work will have to be carried on, but it is safe to say that as much wildcat work is now under way as there would be if the market were higher. The shortage of material and labor is holding back work to some extent and while the Mid-Continent market may advance, it does not look probable at this time, unless some one wants to sell storage oil at a higher price.

## LOUISIANA FIELD

## TEN-THOUSAND BARREL WELL.

SHREVEPORT, La.—Just at the psychological moment, a well has been completed in the North Louisiana field which will undoubtedly revive all the enthusiasm and energy in drilling operations which has been at such a low ebb for the past two years. The oil workers' strike, which went into effect November 1, called a sudden halt in drilling activity, and very little effort has been made by operators to revive it, both on account of the high cost of drilling materials and also because all the known pools had been drained to such an extent that there was comparatively little incentive to start new work.

It remained with the Producers Oil Company, now merged in The Texas Company, to make the lucky strike, and the completion of a 10,000 barrel well in the Pine Island district is the sensation of the hour in oil circles. The well was drilled on the Heilperin lease, on land owned by John Murray, three miles east of Lewis, in Section 28-21-15, and is making a good grade of heavy oil, with no trace of salt water. It came in Wednesday morning spraying considerable oil and started flowing about 700 barrels when drill stem was pulled. A few hours later a heavy gas volume developed and the well went wild, sending a column of oil fully 400 feet above the derrick, which flowed steadily for the ensuing 24 hours. An improvised earthen storage tank was provided by damming up a ditch in the vicinity, and every effort is being made to get it shut in and under control.

The Pine Island district, which has been in process of development for the past six months, contains the only new pool discovered within the past two years, and is of particular interest because much of the land in this vicinity has been leased by independent operators and many new companies have been organized for development purposes.

The production of the past week shows only a slight improvement, owing to the fact that even after men had been secured to operate the wells, considerable work was needed on them to bring back their normal production, and it will probably take another week to get them in as good condition as they were before they were shut down.

## MORE OIL.

We are informed that another oil well has "come in" on Lefe Hays' farm, near Charley, on George's Creek, Lawrence county. It is said this is the best well now producing in Lawrence county and great excitement exists among the people. It is located about ten miles northeast of Paintsville. "Just wait," Northeastern Kentucky will soon come into its own.—Paintsville Post.



## DOHERTY BULLETIN

## Increased Gas Rates in Bristol.

On December 1, the Bristol (Va.-Tenn.) Gas & Electric Company, a subsidiary of Cities Service Company, put into effect an increased gas rate. This company is now charging \$1.25 per thousand cubic feet where as formerly it had a sliding rate which began at \$1.25 and graded down to \$1.00.

The Bristol Company has also abolished discounts on bills paid before the 10th of the month, and after January 10, 1918, an extra charge of 10 per cent. will be added to bills paid after the 10th of the month. In announcing the new rates, the company said: "We regret exceedingly the necessity of discontinuing the practice of allowing a discount on gas, but we are forced to do so for the present time until such time as conditions again become normal."

## Kansas Prosperity.

The demand for electric power being made by new industries locating in Salina, Kansas, is so great as to compel the Salina Light, Power & Gas Company, a subsidiary of Cities Service Co., to double its present capacity. The necessary machinery is already on the ground and it is expected that the required changes in the plant can be made within the next few months. By March 1, it is believed the company will be generating twice as much power as now.



Shooting W. S. Raydure Well on Tipton Lease, Estill County, Ky.

## FEDERAL TRADE REPORT

(Continued from Page One, Column Three.)

branch of the federal government should be provided with adequate means for carrying on the statistical work required.

"4. It is suggested, in view of the variation in the product now sold as gasoline, that only such petroleum products as contain a certain proportion of reasonably volatile elements shall be sold in interstate commerce as 'gasoline.'"

The Commission's report also scores the practice followed by the various Standard companies especially of accumulating enormous quantities of crude oil in storage when the market is low, either to sell when the market advances or for the purpose of taking much of the excess of production off the market and preventing a decline in refined products' prices. The report states such action tends to unreasonable advance in the price of crude.

## Made Long Investigation.

Regarding its activity in general in the petroleum industry the Commission reports as follows:

"In response to resolutions of the Senate (passed June 18, 1913, and Sept. 28, 1914), a comprehensive investigation was undertaken into the production, transportation, refining, and marketing of petroleum and its products.

"During the fiscal year 1917 the Commission was engaged in the completion of its report on the price of gasoline, described below. It is one of a series of reports on the petroleum industry, of which the report on pipe line transportation of petroleum was issued in 1915. Definite plans were formulated for the issuance of two additional reports, which will complete the investigation. Considerable progress has been made in the preparation of a report on the prices of crude oil, the methods by which such prices are fixed, and the profits secured by different companies at the different stages in the production and distribution of petroleum products.

"In connection with the investigation of competitive conditions and inter-company relations in the oil industry, the use of unfair methods of competition in some instances has been indicated.

"The investigation of the volume and cost of production of crude oil has been continued throughout the year.

## Compared Rival Prices.

"An investigation of the advance in the price of gasoline which occurred in 1915 was begun toward the end of the same year and carried on during 1916. This investigation was partly in response to Senate resolutions passed on June 18, 1913, and on September 28, 1914, which directed investigations into the price of oil in Oklahoma, including a comparison of the prices with the general market level in the United States, quality and transportation considered, and into the relations existing between the Standard Oil companies and other companies in the petroleum industry. It was also made in response to a large number of complaints which were directed to it from all quarters by consumers and by jobbing companies which were competing with the Standard Oil companies. The Commission's report was issued on April 11, 1917.

"Gasoline is the chief product of petroleum refining, and it is with regard to this product that competitive conditions in the industry are manifested most clearly."

## WEST VIRGINIA FIELDS

MANNINGTON, W. Va., Dec. 20.—The Mannington oil field has unquestionably been the greatest center of such activity that West Virginia has ever known. For many years "the Mannington field" was used in newspapers and private conversation to include all the activities in this line throughout West Virginia, but in later years the term has come to mean Mannington district of Marion county and parts of Harrison, Monongalia and Wetzel counties.

The first oil well in this section was drilled in on the farm of D. F. Hamilton on Flagg Meadow Run, and came in in October, 1899; the well was drilled in by the late Jack Montgomery, who was a character in his day. Col. T. Moore Jackson, of Clarksburg, was prominent in the company, and his associates were Prof. I. C. White, of Morgantown, Major A. L. Prichard and A. W. Prichard, of Mannington. When this well was seen to be a producer an effort was made to conceal the discovery, but Frank and Caleb Burt, by shrewd observation, concluded that oil had been found and drilled a well near the old Burt tannery, which came in in April, 1890. With the coming of this well, which was called "the Daisy," the Mannington field was established.

Among those in this vicinity who have made fortunes in the oil business are: Frank Blackshere, who got rich through his holdings, developed by the South Penn, leaving a half million dollars at the time of his death a few years ago; John Blackshere, who must have acquired a full half million from oil activities in this section; Fred Bartlett, who is credited with half a million, which came in the last few years after numerous investments with so many failures that a man with less backbone would have given up long before; John L. and his son, and A. J. Hays, who have been profiting through the oil business for years, but recently added sufficiently to their wealth to be included in the half million class; O. N. Koen, who has been active in oil matters for a quarter of a century, and J. T. Koen, who has been in every movement to develop Mannington, and stands today as its leading citizen in many respects. The late Charles E. Wells, of Glover Gap, just above here, was a citizen of Mannington as far as intents and purposes go, having been born and raised in the town, left an estate which is now being administered, and which is believed to be in excess of a quarter of a million, mostly acquired through oil.

Many of the farmers in this vicinity have come into competencies through the oil development as the custom is for one-eighth to go to the man owning the land. The oil development, therefore, turned many land-poor farmers into oil-rich men.

The most recent oil developments have been on the waters of Dent's Run, in the thirty-foot development. Fred Bartlett, the Carnegie Oil Company and the Delmar Oil Company had wells last season which made from 1,200 to 2,000 barrels. This season the Blackshere Oil Company, which is composed of F. Shumwell, and associates, of Richmond, Va., though having a local name, got a splendid well on the John Baker farm in the extension of the Flat Run Gordon sand belt, southwestern. This opens up thousands of acres of drillable territory in the near vicinity of Mannington.

In Sardis district, Harrison county, on the West Virginia side of the Ohio Valley fields, the Hope Natural Gas Company has drilled a second test on the James Lanahan farm, and only a light gas pressure was developed. In the same district the South Penn Oil Company is drilling a second test on the Henry Stewart farm. In Freeman's Creek district, Lewis county, the Hope Natural Gas Company is testing on the J. Freeman farm, and it will probably make a five-barrel pumper. In the same district the Reserve Gas Company is due at a test on the Edwin Curry farm. In Greenbrier district, Doddridge county, the Wayland Oil and Gas Company has drilled a test on the A. Sadler farm and shows for a failure. In Church district, Wetzel county, the Carnegie Natural Gas Company has started to drill a test on the J. B. Bartrug farm, and Fleming & Co. are drilling on the E. F. Hoffman farm and the Manufacturers' Light and Heat Company on the J. E. Stewart farm. Cochran & Funk have started to drill a test on the J. E. Snyder farm.

In Grant district, Harrison county, the West Virginia Central Gas Company's second test on the H. N. Gaston farm is a light gasser, and the same company is drilling second tests on the Eliza A. Smith and A. B. Van Horn farms. The Philadelphia Company is drilling two more wells on the Porter Maxwell farm. In Greenbrier district, Doddridge county, the Carter Oil Company's latest on the W. B. Maxwell farm has been put to pumping and producing less than five barrels a day.

## BIG GASSER IN TENNESSEE.

A report has reached Lexington that the Fisher Oil Company has completed an important gas well at Glen Mary, Tennessee, it being their No. 2, McCart farm. It is located 1,200 feet southwest of their No. 1. Full particulars are not obtainable.

## Mr. Oil Producer

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J. W. PORTER, Cashier.  
J. W. McMEERIS, Asst. Cashier.  
FRANK C. BELL, Asst. Cashier.  
JOS. HARTING, Asst. Cashier.  
ALEX DUNLAP, Jr., Asst. Cashier.

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Surplus and Undivided Profits.... 480,000.00  
Liabilities of Stockholders..... 800,000.00

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## OIL DRILLER SHOT

WINCHESTER, Ky.—Roy Munn, oil well driller, was shot and killed by Ovie Faulkner, it is alleged, last Tuesday, at Filson Station on the L. & N. Railroad, about 25 miles east of this city.

Munn was enroute to Stanton, and when the train reached Filson, Faulkner boarded the train and fired two shots into Munn's body at close range, witnesses aver. He then jumped from the train and escaped. A posse was organized and went in pursuit.

Munn's home was in Ohio. A widow and two children survive. Faulkner is a native of Powell county, and is well known in that section. No cause is assigned for the deed.

Faulkner gave himself up to the police, Thursday.

## LOUISIANA FIELDS

The North Louisiana field comes forward with a great gusher that will undoubtedly revive all the enthusiasm and energy in drilling operations which have been at such a low ebb for the past two years. The oil field workers' strike which went into effect November 1 called a sudden halt in drilling activity, and very little effort has been made by operators to revive it, both on account of the high cost of drilling materials and also because all the known pools had been drained. It remained with the Producers' Oil Company, now merged in the Texas Company, to make the lucky strike, and the completion of a 10,000-barrel well in this Pine Island district is the sensation of the hour. The well was drilled on the Heilperin lease, on land owned by John Murray, three miles east of Lewis.

## GUS SPRINGER AND DOC KENNEDY CASH IN.

(Continued from Page One, Column One.)

Their partner, the Tidal Company, later sold its half share for something over \$6,000,000.

The purchaser was the Sinclair Oil Company, Harry Sinclair, president!

## Promotion of Company.

Under the auspices of the Oklahoma Producing & Refining Company, a well-known independent operating in the Mid-Continent field, Osage-Hominy was launched in December, 1916, with a capital of \$5,000,000. Of its 1,000,000 shares, par \$5, about 51 per cent. was allotted at par to the parent company, and about 49 per cent. is understood to have been offered to, and oversubscribed by, friends of the management, at around 6.

The subsidiary was created to operate the lease, and others which might be acquired, and so insure an adequate supply of crude oil and gas to the refiners of the parent and its affiliated companies. The lease held an undivided half shares with the Sinclair Company is a compact tract of 4,780 acres of practically proven oil lands in the Hominy pool, 50 miles northwest of Tulsa, and bounded on its east side by Hominy, Osage City, and Pawhuska, the seat of the Indian government, Oklahoma.

The oil produced grades as "Cushing crude," commanding a premium of 25 cents a barrel over the regular posted price for Oklahoma crude, now selling around \$2 a barrel, and is specially adaptable for the manufacture of gasoline. The Hominy pool is regarded by oil experts as a formidable rival of Cushing, with excellent possibilities for similar extensive development.

The company has since purchased, also in conjunction with a Sinclair company—the Sinclair Gulf Corporation—an additional lease of 160 acres adjoining present holdings for around \$200,000.

## Oil Minus Water.

The management regards the lease as a bargain. If it is not, stockholders may derive comfort from the fact that the Sinclair interest paid considerably more for their share. Who got the best of the bargain still remains to be seen. It is certain, however, that no attempt was made by the Crawford management of Osage-Hominy and P. & R. to boost the capitalization of the new company by adding "water" to the oil, and it is upon a supposedly rock-bottom capitalization of \$5,000,000 that one can attempt to criticize the judgment of the management.

The apparent unloading of this promising property by Tidal Oil, Kennedy and Springer prompts the pertinent queries, why did they sell, and what's the matter with it anyway? We suggest that while the Hominy pool and lease possess undoubted present and potential value, the principle "a bird in hand is worth two in the bush" may be the point of view of its former owners. The "bird" is certainly a golden eagle when it wears a \$12,000,000 top-knot. One cannot blame the persons concerned for refusing to let it get away from them.

## Development and Results.

If the management made a mistake, it wasted no time in regrets, as production and earning figures will demonstrate. Commencing the year 1917 with an initial production of around 5,000 barrels daily from 11 wells, Osage-Hominy has since brought in about 73 additional wells, producing a further 5,000 barrels daily, making a total of 84 oil wells with a fairly settled production of around 10,000 barrels a day. In addition to this, three gas wells yielding 100,000,000, 40,000,000, 15,000,000 and 14,000,000 cubic feet of gas daily have also been drilled. The oil is being delivered to the Texas Company on a contract basis at about \$2 a barrel, and the gas to the Wichita and Kansas Gas Companies at 3½ cents a thousand cubic feet, also under contract.

The most prolific source of oil production on the lease, the Bartlesville sand, has been penetrated to a depth of about 2,353 feet. The limit of its productivity is unknown. There are other sands and strata at varying depths on the property which are likely to yield a substantial production as time goes on, and the lease develops.

Earnings of Osage-Hominy were originally estimated by the management at about \$1,500,000 annually. The actual net earnings for the first six months ending June 30, 1917, were \$812,810, or \$1,625,620 annually, about \$1.62 a share. This was from a part of present production. The monthly earnings figures have shown a consistent increase. They were May, \$142,970; June, \$158,396; July, \$225,000; August, \$250,000. Current earnings are reliably estimated to be running around \$3.00 a share.

Dividends are being paid at the rate of 10 per cent., or 50 cents annually. There appears no reasonable doubt as to the ability of the company to continue this payment so long as anything like the present liberal margin is earned, even with war tax deductions, or a reasonable decrease in the price of Oklahoma crude oil.